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61

VOLUME NO.

ROYAL COMMISSION

ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

Date..Wed., Oct. 10, 1962

pp 12,233 -- 12,380.



Supreme Court Reporters
145 Yonge St.
Toronto





12233

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WEDNESDAY, OCTOBER 10, 1962

A/1/WB

---On resuming at 10.35 o'clock a.m.

MR. WILSON: Now, Mr. Commissioner, I propose to read the evidence of Deputy Commissioner Bartlett taken in camera yesterday afternoon.

THE COMMISSIONER: Yes. Mr. Reporter you don't have to write this all down again.

---Mr. Wilson reads from evidence of James Bartlett taken in camera from page 12209 to page 12210, line 18.

THE COMMISSIONER: Just pause there for a moment. I had a letter from his physician who advised me of the fact that he had suffered a heart condition and his physician would not be responsible for anything that might result if Mr. Bartlett was called upon to give evidence in public.

MR. WILSON: Yes. Do you wish me to read all the evidence?

THE COMMISSIONER: I do not think that is necessary.

MR. WILSON: Mr. Simpson, where he stated he had been asked --

THE COMMISSIONER: Well, that has been covered.

MR. WILSON: Yes. Maybe I should summarize it that Simpson at a meeting he had with Deputy Commissioner Bartlett at police headquarters, had been told that Bartlett had some friend he wanted



...remains as 10.37 of 1906...

...Mr. Wilson, Mr. Wilson...

propose to read the evidence of...

...taken in camera, evidence...

THE COURT: Yes, Mr. Wilson...

...have to write this all down...

...taken in camera from page 1293 to page 1313...

...the...

THE COURT: Let me read...

...moment. I had a letter from the...

...who advised me of the fact that he had...

...a recent condition and his...

...be responsible for anything that might...

...at Mr. Wilson was called upon to give evidence in...

...public.

Mr. Wilson: Yes, Mr. Wilson...

...the evidence?

THE COURT: I do not think...

...evidence.

Mr. Wilson: Mr. Wilson, where he...

...he has been asked --

THE COURT: Yes, Mr. Wilson...

...evidence.

...to that situation as a result...

...Commissioner, and the police...

...been told that evidence...



12234

him to meet; and then Simpson went on to relate the meeting occurred at a later date at the Royal York where Bartlett, according to his testimony, introduced him to a man/ by the name of McDermott and left.

Now, the testimony of the witness proceeds at page 12214.

---Mr. Wilson reads from evidence taken in camera.

MR. WILSON: That is the end of it.

Call Mr. Fleschuk.

(page 12251 follows)



Page 1

It is noted that the following items are to be

the meeting of the committee on the 15th of the

month of June, 1911, at the residence of the

committee, the subject of the meeting is

the subject of the meeting is

the subject of the meeting is

the subject of the meeting is

the subject of the meeting is

the subject of the meeting is

the subject of the meeting is

(page 1 of 1)



1 JOHN PLESCHUK, sworn,

2
3 THE COMMISSIONER: Now, you are here without
4 counsel this morning. You haven't a lawyer
5 here representing you?

6 A. No.

7 Q. You may be asked questions which
8 may tend to incriminate you, and render you
9 liable to prosecution. I announce now you
10 are entitled to the protection of the Canada
11 Evidence Act. Do you want it?

12 A. No, sir.

13 Q. Do you understand what I have
14 been saying?

15 A. I don't think I fully understand
16 you.

17 Q. Well, you may be asked questions,
18 and you have to answer the questions which
19 are asked of you to-day.

20 A. Yes.

21 Q. Whether you like it or not, you
22 have to answer them. Your answers may
23 perhaps tend to incriminate you, that is,
24 prove you have committed some criminal
25 offence. Now, you are entitled to object
26 to answering that on that ground, but you
27 are nevertheless compellable to answer.
28 And if you take my recommendation you will
29 ask for the protection that the Act gives
30 you so that your answers cannot be used



Q. Now, you are here with me

and you are here with me

and you are here with me

A. Yes.

Q. You may be asked questions which

are asked of you to-day.

I am going now you

are entitled to the protection of the Court

and you have to answer the questions which

A. Yes.

Q. Do you understand what I have

been asking?

A. Yes.

Q.

Q. Now, you may be asked questions,

and you have to answer the questions which

are asked of you to-day.

A. Yes.

Q. Whether you like it or not, you

have to answer them. You answer me

perhaps some to a distance, but in

prove you have committed some crime.

Q. Now, you are entitled to object

to anything that on that point, but you

are nevertheless compelled to answer.

And if you want a recommendation you will

ask for the protection that the Act gives

you so that your answers cannot be used



1 against you in any criminal proceedings. Now,
2 do you understand?

3 A. I will ask for it, sir.

4 THE COMMISSIONER: I will give you the
5 protection of the Canada Evidence Act.

6
7
8
9
10
11
12 EXAMINED BY MR. WILSON:

13 Q. You reside in the City of Toronto?

14 A. I reside in Mimico.

15 Q. Mimico. And you know --

16 THE COMMISSIONER: How old a man are you?

17 A. Forty-nine.

18 MR. WILSON: Q. You know Joseph McDermott?

19 A. Yes, sir.

20 Q. And Vincent Feeley?

21 A. Yes, sir.

22 Q. And how long have you known them?

23 A. I have known McDermott since he
24 worked at the American Brass, before the
25 war.

26 Q. You will have to speak up.

27 A. Or during the war. When the war
28 started, I believe.

29 Q. Now, when did you become associated
30



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Q. Now, you are not a resident of Toronto?

A. No, sir.

Q. I will ask you to state, sir,

the position of the Toronto Police Department.

A. The Toronto Police Department is a body of men who are paid to keep the peace in the city of Toronto.

THE TORONTO POLICE DEPARTMENT

Q. You reside in the City of Toronto?

A. I reside in Toronto.

Q. And you know --

A. Yes, sir. I know the Toronto Police Department.

Q. Now, sir, how long have you known the Toronto Police Department?

A. I have known the Toronto Police Department for many years.

Q. Yes, sir.

A. And you know the Toronto Police Department?

A. Yes, sir.

Q. And how long have you known the Toronto Police Department?

A. I have known the Toronto Police Department since I was a boy.

Q. Now, sir, the Toronto Police Department is a body of men who are paid to keep the peace in the city of Toronto, is that correct?

A. Yes, sir.

Q. You will have to speak up.

A. Yes, sir. I believe.

Q. Now, when the Toronto Police Department is on duty, they are paid to keep the peace in the city of Toronto, is that correct?



1 with them in the operations known as the Finnish
2 Club at 132 Sixth Street in New Toronto?

3 A. I think it was around '55 or '56.

4 Q. Well, prior, prior to the
5 operation of the Finnish Club, had there been
6 a bookmaking operation at these same
7 premises?

8 A. Yes, sir.

9 Q. And had you been engaged with it?

10 A. Yes, sir.

11 Q. And what was your connection
12 with that?

13 A. I was -- I was in charge of the
14 place.

15 Q. Employed by whom?

16 A. I was employed by Feeley and
17 McDermott.

18 Q. And how were you paid?

19 A. At that time I was paid in cash.

20 Q. I mean, so much a week or was it
21 on a commission basis?

22 A. So much a week, and if there was
23 a good week I would get a few extra dollars.

24 Q. How many years was that
25 operating before the Finnish Club operations
26 started?

27 A. Well, I went in there, it was
28 around 1952.

29 Q. '52. And about how much was that
30

[illegible]

1918

• 424 • 409 • 4

I was in charge of the

20249

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1 operation making a year from '52, through to '55?

2 THE COMMISSIONER: Or do you know?

3 A. I don't really know how much.

4 MR. WILSON: Q. What was your average
5 gross a week?

6 A. You mean the whole amount of the
7 bets?

8 Q. Yes.

9 A. Take the average, approximately ---

10 Q. Just for a week. You used to
11 calculate it for a week?

12 A. If I calculate it by the day ---

13 THE COMMISSIONER: Maybe he is not very
14 good at mathematics.

15 MR. WILSON: Q. You can give us the
16 daily figures?

17 A. It would be about \$150 a day.

18 THE COMMISSIONER: That would be the
19 gross bets?

20 A. Yes.

21 MR. WILSON: Q. Did you have anything
22 to do with the keeping of the books, apart
23 from recording the bets?

24 A. No, sir.

25 Q. That was all handled by Feeley
26 and McDermott?

27 A. I imagine so, sir.

28 Q. Now, from '55 on you were ---

29 THE COMMISSIONER: Just a moment. Mr.
30



operation and in a good way, enough to say

THE COMMISSIONER: Or do you know?

A. I don't really know how much.

MR. WISDOM: Q. What was your answer?

A. You mean the whole amount of the

A. That the amount, approximately --

operation is for a week?

A. It is estimated to be two days --

THE COMMISSIONER: Where is it now?

Good at mathematics.

MR. WISDOM: Q. You can have it this

early figures?

A. It would be about \$250 a day.

THE COMMISSIONER: That would be the

MR. WISDOM: Q. Did you have any other

to do with the location of the house, please

A. That was all related to the

A. I am going to say.

A. Now, then, I am on the way --



1 Secretary.

2 You were asking if he kept the books?

3 MR. WILSON: He said that Feeley and
4 McDermott did.

5 Q. You had nothing to do with the
6 balancing out of the book?

7 A. No, sir.

8 THE COMMISSIONER: How far did you go in
9 school?

10 A. Second form high school.

11 MR. WILSON: Q. After use was made of
12 the Finnish Club charter by them at 132 Sixth
13 Street, New Toronto, you continued on in
14 what capacity?

15 A. As steward and secretary-treasurer.

16 THE COMMISSIONER: Where?

17 MR. WILSON: At the Finnish Club,
18 132 Sixth Street, the same address where the
19 book had been kept ---

20 THE COMMISSIONER: You mean after the
21 place ceased as a bookmaking establishment?

22 MR. WILSON: It did not cease, but it
23 had the bookmaking there from '55 on.

24 THE COMMISSIONER: I see, he continued
25 there after the charter was granted?

26 MR. WILSON: That is right.

27 Q. And you were an officer of the
28 Finnish Club, were you not?

29 A. Yes.
30



Q. You were sitting at the table the night

Mr. Wilson: He said that he didn't

Q. You had nothing to do with this

A. No, sir.

THE COMMISSIONER: Now this did not go in

A. Second from right corner.

Mr. Wilson: Q. After this was made of

the British Club corner of them as the British

corner, how far was, you concluded on it

Q. Yes, sir.

THE COMMISSIONER: What?

Mr. Wilson: He said that he didn't

the sixth corner, the same corner where the

Q. Yes, sir.

THE COMMISSIONER: You mean from the

place where he is standing at present?

Mr. Wilson: It did not come, and it

had the document from him from 1901.

THE COMMISSIONER: I see, he said that

Q. Yes, sir.

Mr. Wilson: That is right.

Q. And you were an officer of the

British Club, were you not?

A. Yes.



1 Q. And who appointed you an officer
2 of the Finnish Club?

3 A. Oh, there was, there was a meeting
4 one night, maybe there was about ten fellows
5 there. I don't know if it was Mr. Feeley
6 appointed me, or nominated me, I was appointed.

7 Q. What was your appointment?

8 A. As steward and secretary-treasurer.

9 Q. And after the Finnish Club
10 charter was used did the book, was the book
11 carried on, the bookmaking carried on at
12 that address?

13 A. Can I hear that question again?

14 Q. Was there any change in your
15 operation after the charter was used?

16 A. No, sir.

17 Q. No. In other words, you just
18 carried on booking from day to day?

19 A. Yes.

20 Q. And your employers were the same?

21 A. Yes, sir.

22 Q. And, also, in this period after
23 the charter was used you ran a bank poker
24 game on the side?

25 A. There was a poker game.

26 Q. It was a bank, it was a house game,
27 wasn't it?

28 A. Yes, sir.

29 Q. And who banked that operation?



Q. And who spotted you on October 1st?

A. The witness.

Q. On that day, there was a meeting?

A. Yes, there was a meeting, maybe there was about ten fellows.

Q. Did you know any of them?

A. I don't know, I was introduced, I was introduced.

Q. What was your introduction?

A. As a friend and neighbor - that's all.

Q. Did you know the witness?

A. Yes, he was used all the time, was the boss.

Q. Did you know the witness?

A. Yes, he was the boss.

Q. Can I hear that question again?

A. Yes, he was the boss.

Q. Operation after the charter was ready?

A. No, sir.

Q. In other words, no?

A. Yes, sir.

Q. You?

A. Yes, sir.

Q. And, also, is this correct?

A. The charter was read for a short time.

Q. On the 1st?

A. There was a short time.

Q. It was a short time, at the 1st?

A. Yes, sir.

Q. And who backed that operation?

A. The witness.



1 A. I was in charge.

2 Q. Where did you get your money to
3 bank it?

4 A. It was no money in running a bank
5 poker game.

6 Q. You accounted to somebody?

7 A. Yes.

8 Q. Who did you account to?

9 A. That was again to Feeley.

10 Q. Now, how --- Was there a bigger
11 volume of bets after the charter was used?

12 A. No, sir, I wouldn't think so.

13 Q. You think it just ran along
14 about the same level?

15 A. That is right.

16 Q. And then you ran into trouble
17 there in '57. I think there was a charge
18 against you of keeping a common gaming
19 house, and, secondly, of engaging in book-
20 making. And that was heard before
21 and
22 Magistrate Thompson, dismissed. That was
23 dismissed in 1957?

24 A. Yes, sir.

25 Q. And then in 1959 there was a
26 further charge involving yourself and these
27 same premises, of keeping a common betting
28 house, and a second charge of engaging in
29 bookmaking. Now, the bookmaking charge
30 was withdrawn, and you were committed on the

[illegible]



1 first charge of keeping a common betting house,
2 by Magistrate Addison. Three months plus
3 \$1,000?

4 A. Yes.

5 Q. And that conviction was appealed?

6 A. I think it was appealed but the
7 appeal didn't go through.

8 Q. The appeal was dismissed?

9 A. Was dropped.

10 Q. The appeal was dismissed?

11 A. I am not sure if it was dropped.

12 Q. I see, looking at your record,
13 there was an appeal against the conviction, but
14 the appeal was dismissed?

15 A. I thought it was dropped.

16 Q. Well, you served your time?

17 A. Yes, sir.

18 Q. Well, now, we have had evidence
19 from Magistrate Addison that he was the
20 presiding magistrate at your trial in 1959;
21 is that correct?

22 A. Yes.

23 Q. That he had a telephone call during
24 the time that the matter was under consideration.
25 Do you know anything about a telephone call
26 from any one at that time?

27 A. No, sir, I do not.

28 Q. And who provided you with legal
29 counsel to present your defence?
30



first group of people in corner better house,

by Legislature. Three months later

\$1,000?

A. Yes.

Q. And that conviction was appealed?

A. I think it was appealed but the

appeal didn't go through.

Q. The appeal was dismissed?

A. Yes, dropped.

Q. The appeal was dismissed?

A. I am not sure if it was dropped.

Q. I am not sure if it was dropped.

There was an appeal against the conviction?

The appeal was dismissed?

Q. I think it was dropped.

Q. Now, you never went there?

A. Yes, sir.

Q. Well, now, we have revolution

from legislative action that is with the

presenting legislative as now what is it?

Is that correct?

A. Yes.

Q. That he had a telephone call from

and that was the first time he was called.

Do you know anything about a telephone call

from any one at that time?

A. No, sir, I do not.

Q. And who provided you with today

continued to present your defense?



1 A. Feeley and McDermott.

2 Q. And who paid your fine?

3 A. Feeley did, I believe.

4 Q. Now, in addition to your association
5 with 132 Sixth Street ---

6 THE COMMISSIONER: Before you leave that.
7 They provided you with a lawyer?

8 A. Yes, sir.

9 Q. And then you say Feeley paid your
10 fine?

11 A. Yes, sir.

12 Q. And you went to jail for how long?

13 A. Three months.

14 Q. And when you were in jail did
15 anybody pay you a salary or give you some
16 money?

17 A. No, sir.

18 Q. Are you sure of that?

19 A. Yes.

20 Q. Are you married?

21 A. Yes, sir.

22 Q. Have you some children?

23 A. No, sir. I am married but
24 separated.

25 Q. You are separated from your wife.
26 Were you separated at that time?

27 A. No, sir.

28 Q. Was any money given to your wife
29 while you were in jail?
30



1 A. No, sir.

2 THE COMMISSIONER: All right, Mr. Wilson.

3 MR. WILSON: Q. You were also associated
4 with the Alpha Club operation on Centre Road,
5 Cooksville?

6 A. No, sir, I wasn't associated with
7 that. I visited the place.

8 Q. Weren't you an officer in the Alpha?
9 You weren't?

10 A. No, sir.

11 Q. You did visit there?

12 A. I visited about three times.

13 Q. And then when the Alpha Club charter
14 was no longer used, and they got a charter
15 from the Army, Navy and Air Force Veterans
16 Unit, a unit of the Army, Navy and Air Force
17 Veterans, were you an officer in that
18 organization?

19 A. I believe I was. I don't know
20 whether it was right from the beginning
21 or not. I don't know. But I know I was
22 at one time.

23 Q. We have filed here as Exhibit 50,
24 a picture taken on the premises, and it is
25 headed, "In Centre Road Veterans Association".
26 A plaque, "Directors present. Sergeant W.
27 Lafrade, Vice-President; Corporal J. Pleschuk,
28 Secretary-Treasurer and Steward; A. Lafrade."
29 I take it you would be the Corporal Pleschuk
30





1 referred to there?

2 A. Yes, sir.

3 Q. And did you know Feeley and McDermott
4 were making you an officer of this organization?

5 A. Yes, I did.

6 Q. Did they ask for your permission?

7 A. Yes, they asked me.

8 Q. And was this while you were working
9 for them at 132 Sixth Street?

10 A. Yes.

11 Q. And were you in fact a veteran?

12 A. Yes, sir.

13 Q. And did you take part in any way
14 in the management of the Association's affairs
15 at Centre Road, Cooksville?

16 A. No, sir.

17 Q. In other words, the extent of your
18 participation in the Centre Road activity was
19 to lend your name at the request of Feeley
20 and McDermott?

21 A. Yes, sir.

22 Q. Did you have anything to do with
23 the Ground Observer Corps?

24 A. I attended a few meetings there,
25 yes.

26 Q. You attended a few meetings of
27 the Ground Observer Corps on these premises?

28 A. Yes.

29 Q. And I take it you did so at the
30



INTERVIEW OF [Name]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]

Q. [Question]

A. [Answer]



1 request of Feeley and McDermott?

2 A. I would say it was, yes.

3 THE COMMISSIONER: Pardon?

4 A. I would say it was.

5 MR. WILSON: Q. Now ---

6 THE COMMISSIONER: What went on at the
7 meeting?

8 A. Oh, they had pictures of planes,
9 identification of planes, discussions about
10 planes.

11 THE COMMISSIONER: Oh.

12 MR. WILSON: Q. Well, from 1954 through
13 to 1957, how many times would you have been on
14 the -- or at the premises, at the Centre
15 Road Club?

16 A. I would say I was never there
17 more than four times a year.

18 Q. And would you play?

19 A. I have played poker there once
20 or twice.

21 Q. Well, did you participate in the
22 crap game at all?

23 A. No, sir, I don't know much about
24 crap games.

25 Q. No. Then, when we get to July
26 of 1957, we find you were one of the
27 applicants for a provincial charter for the
28 Centre Road Veterans Association; is that
29 correct?
30



THE UNITED STATES OF AMERICA

A. I would say it was, yes.

THE UNITED STATES OF AMERICA

A. I would say it was.

MR. WILSON: A. Yes --

THE UNITED STATES OF AMERICA

THE UNITED STATES OF AMERICA

A. Oh, they are, a lot of people.

THE UNITED STATES OF AMERICA

THE UNITED STATES OF AMERICA

THE UNITED STATES OF AMERICA

MR. WILSON: A. Yes, they are.

to 1937, how many times would you have been at

the -- or at the premises, at the house

your house

A. I would say I was never there

more than four times a year.

MR. WILSON: A. Yes, you say?

A. I have been there many times

on other

A. Well, the two paragraphs in the

the two paragraphs

A. No, sir, I don't know much about

the two paragraphs

A. Yes, then, when we get to the

of fact, we find you were one of the

applicant for a provincial charter for the

League of Nations Association; is that

correct?



1 A. I hear I am, but I don't know
2 anything about it.

3 Q. I take it if you were you would
4 have to sign your name. "John Pleschuk of the
5 Village of Alderwood." And I am referring
6 to Exhibit 11-A. You say you don't recall
7 anything about that?

8 A. I say I don't recall anything
9 about that charter. No. I might have
10 signed some papers.

11 Q. I suppose if they asked you to
12 sign some document at that time you would
13 have signed it without question?

14 A. I would say I would, yes.

15 Q. And prior to July of 1957, to
16 your knowledge was there any concern on the
17 part of McDermott and Feeley about the
18 charter, the Air Force -- or, at least, the
19 Army, Navy and Air Force charter, as to
20 whether they were in danger of losing it?

21 A. Not to my knowledge, sir.
22 They never discussed it.

23 THE COMMISSIONER: What contact did you
24 have with these men? You said you were at
25 the club only four or five -- not more than
26 four times a year up until 1957, and you
27 played a little poker there. What other
28 contact did you have with them in these
29 years?
30



Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.

A. Yes, I am.

Q. Now I am going to ask you a few more questions.



1 A. Just from the Finnish Club, sir.

2 Q. Just through the Finnish Club.

3 Was the Finnish Club still operating?

4 A. Yes, sir.

5 Q. When did it cease operations?

6 A. I think it was in May of 1959.

7 Q. I see. Now, then, did Feeley

8 and McDermott ever discuss -- McDermott or

9 Feeley, or either, ever discuss the Centre

10 Road Club with you?

11 A. They didn't confide in me in
12 anything like that. They might have just
13 asked me to sign some papers, or stuff like
14 that. They never confided in me anything
15 else.

16 MR. WILSON: Q. You know Mr. Louis
17 Herman?

18 A. I -- when I first purchased my
19 house it was a Herman that acted for me in
20 that capacity, in real estate, but I couldn't
21 tell you now whether -- what did you say
22 his first name was?

23 Q. Louis, Louis. Louis Herman.

24 A. I don't know. Has he got a
25 brother?

26 Q. There was a Carl Herman who was
27 a lawyer.

28 A. I don't know which one it was,
29 whether it was Carl or whether ---
30



Q. Now from the timing of it, sir.

A. I am not sure of the timing of it.

Q. Now the timing of it, sir.

A. Yes, sir.

Q. Now, sir, is it possible that...

A. I think it was in May of 1962.

Q. I see. Now, then, did he...

and he was not even... -- he was not even...

Q. Now, sir, is it possible that...

A. They didn't come in as in...

...time that...

...to get some papers, or some...

...They never came in as in...

Q. Now, sir, is it possible that...

A. I -- when I first proposed it...

...it was a letter that dated for me in...

...in fact, in fact, but I couldn't...

...I don't know -- what did you say?

Q. Now, sir, is it possible that...

A. I don't know. I don't know.

Q. Now, sir, is it possible that...

A. There was a girl, I think, who was...

Q. Now, sir, is it possible that...

A. I don't know what one it was.

Q. Now, sir, is it possible that...



1 Q. Mr. Louis Herman has given evidence
2 at page 6653, in connection with the granting
3 of the application for the provincial charter
4 in 1957. He said:

5 "Mr. Pleschuk and Mr. Turner were in
6 "to see me in connection with
7 "Cooksville."

8 Now, do you ever recall ---

9 THE COMMISSIONER: What page is that?

10 MR. WILSON: 6653.

11 THE COMMISSIONER: Pleschuk and who?

12 MR. WILSON: Turner.

13 Q. Then at page 6654, he also says
14 that, when asked by you, Mr. Commissioner,
15 at line 23:

16 "And the Middle Road group instructions
17 "came from whom?

18 "A. Mr. McDermott, Feeley, and at
19 "various times I saw Mr. Lincoln H.
20 "Turner, Joseph Pleschuk and Thomas
21 "McKay."

22 Now, you recall having been in Mr. Hermans
23 office in connection with the application for
24 this provincial charter?

25 A. No, sir, I cannot.

26 Q. You cannot. I take it at this
27 stage, the evidence you have given, if Feeley
28 and McDermott asked you to sign some paper
29 you would accept their request without question
30





1 and just sign?

2 A. Yes, sir.

3 Q. Now, Sol Gebirtig has given evidence,
4 at page 230, and he says -- stated, that you
5 approached him about opening a branch of
6 the Finnish Club in New Toronto. Do you
7 recall that you had something to do with that?

8 A. I recall about that occasion,
9 yes. I talked to him about that.

10 Q. Who instructed you to go in and
11 see Gebirtig about it?

12 A. Feeley and McDermott.

13 Q. In other words, anything you did
14 in that regard was as an employee of Feeley
15 and McDermott?

16 A. Yes.

17 Q. Now, during the period that you
18 operated on their behalf at 132 Sixth Street,
19 New Toronto, did you have any police raids?

20 A. Yes.

21 Q. About how many?

22 A. Numerous. I couldn't recall how
23 many, it was numerous.

24
25 (Page 12270 follows)
26
27
28
29
30

B/3



Q. Now, did you see anything about the
 as page 250, and he says -- passed, that you
 approached him about opening a branch of
 the financial firm in New Orleans. Do you
 recall that you had something to do with that?
 A. I recall about that occasion,
 yes. I talked to him about that.
 Q. Who instructed you to go in and
 see about that?
 A. He instructed me to see about that.
 Q. In that regard, was he an employee of Policy?
 A. Yes.
 Q. Now, during the period that you
 operated on their behalf as USS Litch Street,
 New Orleans, did you have any police visits?
 A. Yes.
 Q. About how many?
 A. Numerous. I couldn't recall the
 exact number.



C/1/FAL

1 MR. WILSON: Q. And did you have any
2 prior notice of any of these raids?

3 A. No, sir.

4 Q. Did you have any knowledge of
5 anybody having received any notice of any
6 impending raid?

7 A. No, sir.

8 Q. So far as you were concerned did
9 you ever discuss the question of protection
10 and security with Feeley and McDermott in
11 respect to that particular location?

12 A. No, sir, I did not. The door
13 was always open.

14 Q. The door was always open?

15 A. Yes.

16 Q. So, what was your method of
17 trying to avoid conviction when a raid took
18 place?

19 A. As long as there was nothing,
20 that they didn't find any slips or nothing on
21 me, I wasn't convicted.

22 Q. What steps did you take to try
23 to get rid of slips when a raid did take place?

24 A. I didn't keep any slips on me;
25 I used to phone my bets away.

26 Q. You phoned your back end?

27 A. Yes.

28 THE COMMISSIONER: Q. Who was it?

29 MR. WILSON: Q. Who were your back ends
30



12870

MR. WILSON: Q. And did you have any

other things in the house at that time?

A. Yes, sir.

Q. What else was in the house?

A. Nothing, nothing received any money on any

business, nothing.

A. Yes, sir.

Q. So far as you were concerned did

you ever discuss the question of protection

and security with Tooley and Heston?

A. No, sir, I did not. The only

thing I did was to talk to them about

the house.

A. Yes, sir.

A. Yes, sir.

Q. What was your method of

trying to avoid contact when a sale took

place?

A. As long as there was nothing,

that they didn't find any signs or nothing on

me, I wasn't concerned.

Q. What steps did you take to try

to get rid of signs when a sale did take place?

A. I didn't keep any signs on me.

I used to phone my boss only.

Q. You phoned your boss only?

A. Yes, sir.

Q. Who was his

MR. WILSON: Q. Who was your boss?



1 for this period?

2 A. I had one, that is all. William
3 Ryan.

4 Q. William Ryan?

5 A. Yes, sir.

6 Q. Where was he located?

7 A. I believe he lived on Broadway
8 Avenue at that time.

9 Q. I am sorry.

10 A. I believe he lived on Broadway
11 Avenue at that time.

12 Q. So, from the time you first
13 started in there in 1950 -- What was your
14 starting point before the Finnish Club?

15 A. I believe it was '52.

16 Q. '52. Through until -- When did
17 you stop?

18 A. When I was convicted in '59.

19 Q. And during that entire period
20 your only back end was William Ryan?

21 A. Yes, sir.

22 Q. You know Kenneth Currier?

23 A. Yes, sir.

24 Q. And he was operating the other branch
25 of the Finnish Club. At what location?

26 A. I forget the number but it was
27 in Long Branch.

28 Q. Long Branch. Did you have
29 any connection -- Were the two operations run
30



Q. Now, what time?

A. I have one, that is all. William

Wynn.

Q. William Wynn?

A. Yes, sir.

Q. Where was he located?

A. I believe he lived on Broadway

Avenue at that time.

Q. I see.

A. I believe he lived on Broadway

Avenue at that time.

Q. So, from the time you first

started in there in 1920 -- what was your

association with him and what was your

A. I believe it was '28.

Q. Now, what was your

your story?

A. When I was convicted in '30.

Q. And during that entire period

you were only back and was William Wynn?

A. Yes, sir.

Q. Now, what was your

A. Yes, sir.

Q. And he was operating the other branch

of the Minuteman Club. At what location?

A. I forget the number but it was

in Long Branch.

Q. Long Branch. Did you have

any connection -- Were the two operations run



1 separately or did you --

2 A. No, they were run together.

3 Q. In what way were they run together?

4 A. Well, they were just run as one
5 club.

6 Q. In what way, did you say?

7 A. It was just run as one club.

8 Q. Did he use the same back end?

9 A. Yes, sir.

10 Q. How did the volume at New Toronto
11 compare with your volume?

12 A. You mean the volume in Long Branch?

13 THE COMMISSIONER: Long Branch.

14 MR. WILSON: Q. I am sorry, Long Branch.

15 A. I would have to say that it was
16 a little smaller than in New Toronto.

17 THE COMMISSIONER: Q. He did not have
18 the same volume of business you did?

19 A. No, I wouldn't say he did.

20 Q. How would you know?

21 A. Well, he used to tell me every
22 day.

23 Q. You would compare notes?

24 A. Yes.

25 Q. Then, who paid off the winners?

26 MR. WILSON: Q. I think you have asked
27 that the name of your present employer, or
28 who you have been employed by since 1959 be
29 not disclosed. I think you should write it down
30



not disclosed. I think you should write it down
who you have been employed by since 1933 or
that the name of your present employer, or
MR. WILSON: A. I think you have asked
Q. Then, who paid out the witness?
A. Yes.
Q. You would compare notes?
A. Yes.
Q. Well, he used to tell me every
A. I wouldn't say he did.
Q. He did not have
the same volume of business you did?
THE COMMISSIONER: Q. He did not have
a little smaller than in New Toronto.
A. I would have to say that it was
MR. WILSON: Q. I am sorry, I am wrong.
THE COMMISSIONER: I am wrong.
A. You mean the volume in Long Beach?
Q. Compare with your volume?
Q. How did the volume at New Toronto
A. Yes, sir.
Q. Did he use the same back end?
A. It was just run as one end.
Q. In what way, did you say?
A. Well, they were just trailers one
Q. In what way were they run together?
A. No, they were run together.



1 and give it to the Commissioner and he can
2 decide whether it should or should not be
3 disclosed.

4 A. (The witness writes on a slip
5 of paper)

6 THE COMMISSIONER: Q. How long have you
7 been employed at this place?

8 A. Ever since I got out of jail.

9 Q. When was that?

10 A. That was in April, '60.

11 Q. April, 1960. Did McDermott or
12 Feeley have anything to do with getting you
13 this job?

14 A. No.

15 Q. How did you go about getting it?

16 A. I got the job from Mr. Macnamara.

17 Q. You got the job through Mr.

18 Macnamara?

19 A. Yes.

20 Q. Who is Mr. Macnamara?

21 A. He is the -- He is the Veterans
22 Advocate on Wellington Street.

23 Q. The Veterans Advocate. Is that
24 a newspaper?

25 A. Yes.

26 Q. On Wellington Street. Did you put
27 an ad. in the paper?

28 A. No, I met him during my army
29 service in Montreal in -- I met him in '55 or
30



and give it to the Commissioner and he can

make a copy of it and give it to the

Commissioner.

A. (The witness writes on a slip

of paper)

THE COMMISSIONER: Q. How long have you

been employed at this place?

A. Ever since I got out of jail.

Q. When was that?

A. That was in April, '00.

Q. April, 1900. Did McDermott or

Reeley have anything to do with getting you

out of jail?

A.

Q. How did you go about getting it?

A. I got the job from Mr. McDermott.

Q. You got the job through Mr.

McDermott?

A. Yes.

Q. Who is Mr. McDermott?

A. He is the -- He is the Veterans

Advocate on Wellington Street.

Q. The Veterans Advocate. Is that

right?

A. Yes.

Q. On Wellington Street. Did you get

an ad. in the paper?

A. No, I met him during my stay

service in Montreal in -- I met him in '95 or



1 '56 at one of the Observers' meetings.

2 Q. Is this place a club?

3 A. Yes, sir, it's a veterans --

4 Q. It is a club. Are you taking
5 some bets down there occasionally?

6 A. No, sir.

7 Q. Not at all?

8 A. No, sir. I wouldn't have lasted
9 as long as I have if I had.

10 Q. I will consider whether it should
11 be named or not.

12 MR. WILSON: Q. Is the J.P. Macnamara
13 through whom you got your present job the
14 man who took over from you as vice-president
15 at Centre Road when you went to jail?

16 A. Yes, sir.

17 THE COMMISSIONER: Q. Write down
18 there what your job is.

19 A. (The witness writes on a slip
20 of paper)

21 Q. Have the police from time to time
22 been visiting you at this place?

23 A. Yes, sir.

24 Q. Have there been any arrests?

25 A. No, sir.

26 Q. What are they looking for?

27 A. I don't know, sir.

28 Q. You are the steward there?

29 A. Yes, sir.
30



120 at one of the Observers' meetings.

Q. Is this place a clinic?

A. Yes, sir, it's a veterans --

Q. It is a clinic. Are you taking

some beds down there occasionally?

A. Yes, sir.

Q. How many beds?

A. No, sir. I wouldn't have figured

as long as I have if I had.

Q. I will consider whether it would

be worth the cost.

A. I think it is worth it.

Q. Through whom you got your present job the

men who took over from you as vice-president

at Centre Road when you went to jail?

A. Yes, sir.

Q. While you

there what your job is.

A. (The witness writes on a slip

of paper)

Q. Have the police from time to time

been visiting you at this place?

A. Yes, sir.

Q. Have there been any arrests?

A. No, sir.

Q. What are they looking for?

A. I don't know, sir.

Q. You are the alleged target?

A. Yes, sir.



1 Q. How many employees are there?

2 A. There's just two; myself and a
3 part-time steward.

4 Q. I was asking you when you were
5 at the Finnish Club you say you telephoned in
6 the bets. Who used to pay off the winners?

7 A. I did.

8 Q. Where did you get the money?

9 A. If I didn't have enough money in
10 my pocket I would have to go to Feeley or
11 McDermott.

12 Q. Were you ever at Ryan's place on
13 Broadway?

14 A. No, sir.

15 Q. How many phones did he have?

16 A. I was never in there but I would
17 imagine he only had one. As far as I know,
18 he only wrote for me and Currier.

19 Q. Did he have any other means of
20 livelihood?

21 A. No, sir. He was a cripple --
22 partly crippled.

23 Q. All right.

24 MR. WILSON: I think Mr. MacGuigan, who
25 is appearing this morning for the Liberal
26 Party, wants to ask a few questions.
27
28
29
30



Q. There's just two; myself and a

Q. I was asking you when you were

at the Finnish Club you say you telephoned in

the bets. Who used to pay off the winners?

A. I did.

Q. Where did you get the money?

A. If I didn't have enough money in

my pocket I would have to go to Neely or

Q. Were you ever anyone's place on

Q. How many phones did he have?

A. I was never in there but I would

imagine he only had one. As far as I know,

he only wrote for me and Gustaf.

Q. Did he have any other means of

A. No, sir. He was a simple --

simply replied.

Q. All right.

MR. WILSON: I think that's all, thank you, sir.

is appearing this morning for the defense.

Party, wants to ask a few questions.



EXAMINED BY MR. MacGUIGAN:

Q. You have said, Mr. Pleschuk, that you were appointed a director of the Finnish Club at a meeting. Who was at this meeting?

A. There was Mr. Gebirtig, Feeley, McDermott. There was three -- two or three Lafrades and there might have been four or five other names that I can't recall.

Q. There were perhaps a dozen people or so?

A. I would say ten or twelve.

Q. Did you attend any similar meeting with regard to your appointment as a director of the Centre Road Veterans Association?

A. No, sir.

Q. When you resigned as director of the Centre Road Veterans Association who took your place as a director?

A. Mr. Macnamara.

Q. You have spoken of Mr. Ryan. Is there any connection between this Mr. William Ryan and Mr. James Ryan?

A. Not to my knowledge, sir.

Q. Do you know James Ryan?

A. Yes, sir.

Q. To your knowledge did James Ryan have any part in the direction or in any way



STATE OF NEW YORK

Q. You have said, Mr. Plonchak,

that you were appointed a director of the
Minuteman Club at a meeting. Who was at this

meeting?

A. I don't know.

McDonnell. There was three -- two or three

ladies and there might have been four or

five. I don't know.

Q. How many ladies?

or two?

A. I would say ten or twelve.

Q. Did you attend any other meeting

with regard to your appointment as a director

of the Centre Road Veterans Association?

A. No, sir.

Q. When you resigned as director

of the Centre Road Veterans Association who

was your place as a director?

A. I don't know.

Q. You have spoken of Mr. Ryan. Is

there any connection between him and the

Centre Road Veterans Association?

A. Not to my knowledge, sir.

Q. Do you know James Ryan?

A. Yes, sir.

Q. Is there any connection between him

and the Centre Road Veterans Association?

have any part in the direction or in any way



1 at all of these clubs, of the Finnish Club
2 and the Centre Road Veterans Association?

3 A. Not to my knowledge. He used
4 to come in but I don't know whether he had
5 any connection in there at all.
6

7 Q. Do you know where James Ryan is
8 now?

9 A. I have heard rumours.

10 Q. Is it not a fact he has gone to
11 the Bahamas to operate a gambling house?

12 A. I don't know whether he is
13 operating a gambling house but I heard rumours
14 that he is in the Bahamas.

15 Q. You said Feeley and McDermott
16 instructed you to go to Sol Gebirtig about
17 the Finnish Club charter, I believe. What
18 did they instruct you to do at this meeting
19 with Mr. Gebirtig?

20 A. They just instructed me to --
21 asked me to -- to see if I could get the charter
22 with Mr. Gebirtig and see if we could get it
23 going.

24 Q. Did they tell you specifically
25 to get the Finnish Club charter or just to
26 get any charter?

27 A. No, just the Finnish Club.

28 Q. What were you paid for lending
29 your name to these people on behalf of Feeley
30 and McDermott?



at all of these clubs, of the Finnish Club

and the other clubs, I believe.

A. Not to my knowledge. He used

to come to my place and stay there.

any connection in there at all.

Q. Do you know where James Ryan is

now?

A. I have heard rumors.

Q. Is it not stated he has gone to

the Bahamas to operate a gambling house?

A. I don't know whether he is

operating a gambling house but I heard rumors

that he is in the Bahamas.

Q. You said Foley and McDermott

instructed you to go to Sol Gersting about

the Finnish Club charter, I believe. What

did they instruct you to do at this meeting

with Mr. Gersting?

A. They just instructed me to --

asked me to -- to see if I could get the charter

with Mr. Gersting and see if we could get it

Q. Did they tell you specifically

to get the Finnish Club charter or just to

get any charter?

A. No, just the Finnish Club.

Q. What were you paid for finding

your name to these people on behalf of Foley

and McDermott?



1 A. I was paid at the Finnish Club
2 \$50 a week by cheque, plus a small commission
3 each week.

4 Q. This was your regular pay. Was
5 there any specific pay for putting your name
6 on these documents?

7 A. No, sir.

8 Q. At the Centre Road Club, either?

9 A. No, sir.

10 Q. Do you know what part Mr. Sol
11 Gebirtig played in obtaining the charters?

12 A. No, I couldn't tell.

13 Q. What, to your knowledge, took place
14 after you spoke to Mr. Gebirtig in his office
15 about getting the charters?

16 A. After that all I knew was that
17 we got the charter and that's all I know after
18 that.

19 Q. Did you allow your name to be used
20 by Feeley and McDermott in any other business
21 ventures?

22 A. I heard it was used in one
23 business venture, on some real estate.

24 Q. Do you know the name of that?

25 A. No, I do not.

26 Q. Would it be the Caribbean
27 Apartments?

28 A. That could have been.

29 THE COMMISSIONER: Q. It was an apartment
30



A. I was paid at the Rinalda Club
\$50 a week by check, plus a small commission

Q. How long was this arrangement?

A. There was no specific pay for putting your name
on these documents?

A. No, sir.
Q. At the Rinalda Club, was it?

A. Yes, sir.
Q. Do you know what part of it?

A. Geddis played in obtaining the documents?
Q. Yes, I believe so.

Q. What, to your knowledge, took place
after you spoke to Mr. Geddis in his office?

A. After that all I know is that
he was not working for me any more after

Q. Did you allow your name to be used
by Keely and Hebermont in any other business?

A. I heard it was used in one
business venture, on some real estate.

Q. Do you know the name of that?

A. No, I do not.
Q. Would it be the Continental?

A. That could have been.
THE COMMISSIONER: Q. It was an apartment



1 house, was it?

2 A. I am not sure, sir.

3 Q. Well, what was it? You did not
4 seem to have much knowledge of it.

5 A. No, I didn't.

6 Q. When did you first hear about it?

7 A. The first that my name was used?

8 Q. Yes.

9 A. I think -- Well, the first I
10 heard about it was when they called me in
11 and told me I would sign over to somebody else.
12 I don't know. There was a lawyer present.

13 MR. MacGUIGAN: Q. Did you sign documents
14 concerning these business ventures without
15 even knowing what they were with regard to?

16 A. Yes, sir.

17 Q. Were you paid anything for this
18 or was this part of your regular services?

19 A. Part of my regular services.

20 THE COMMISSIONER: Q. Did you ever
21 ask them why they put it in your name?

22 A. I believe I did.

23 Q. Who did you ask?

24 A. I believe the two of them were
25 present.

26 Q. What did they say?

27 A. They just made some excuses. I
28 couldn't really tell you what they said now.
29 Apparently they didn't want it in their name
30



Apparently they didn't want it in their name.

couldn't really tell you what they said now.

A. They just made some excuses. I

Q. What did they say?

A. I believe the two of them were

Q. Who did you ask?

A. I believe I did.

and then they put it in your name?

THE COURT: Q. Did you ever

A. Part of my regular services.

or was this part of your regular services?

A. Yes, sir.

even knowing what they were with regard to?

Q. Did you know anything about that?

I don't know. There was a lawyer present.

and told me I wouldn't even sign anything else.

heard about it was when they called me in

A. I think -- well, I think --

Q. Yes.

A. The first that my name was used?

Q. When did you first hear about it?

A. No, I didn't.

seem to have much knowledge of it.

Q. Well, what was it? You did not

A. I am not sure, sir.



for some reason or other and they put^{it} in mine.

MR. MacGUIGAN: Q. Why were you so co-operative in signing your name this way, was this a normal part of business? Did they have any hold over you?

A. No, sir, not outside I was working there.

THE COMMISSIONER: Q. They were your
meal ticket?

A. I would say so, at that time,
yes.

MR. MacGUIGAN: Q. They were not blackmailing you in any respect?

A. No, sir.

Q. What were the arrangements at the Centre Road Club when a police raid occurred?

A. I had no idea.

Q. Where are you living now?

A. At the present moment I am living
at the Sagamore Hotel. I have a room there.

Q. You previously gave your address in 1958 as 6th Street, 132 - 6th Street, which is the address of the Finnish Club. Did you actually live at the Club?

A. I may have for a short period of time. A month or two.

Q. Whereabouts did you live in
the Club? Were there living quarters in this



for some reason or other and they didn't

MR. MACGILLIVRAY: Q. Why were you so
co-operative in giving your name this way,
was this a normal part of business? Did they
have any hold over you?

A. No, sir, not outside I was working

THE COMMISSIONER: Q. They were your

A. I would say so, at that time,

MR. MACGILLIVRAY: Q. They were not black-

mailing you in any respect?

Q. What were the circumstances re

A. I had no idea.

Q. Where are you living now?

A. At the present moment I am living

at the Baginbore Hotel. I have a room there.

Q. You eventually gave your address

in 1938 as 6th Street, 122 - 6th Street, which

is the address of the Winthrop Club. Did you

actually live at the Club?

A. I may have for a short period of

time. A month or two.

Q. Whereabouts did you live in

the Club? Were there living quarters in the



1 Club? MR. WILSON: WILL YOU RECALL?

2 A. In the Club, there was. There
3 was a bed.

4 Q. That is all.

5 THE COMMISSIONER: Mr. Rose?

6 MR. ROSE: No questions, thank you.

7 MR. WILSON: I would like a ten-minute
8 intermission before I call the next witness.

9 THE COMMISSIONER: Well, it is time
10 for an intermission.

11 Q. That is all, thank you.

12
13 ---The witness withdraws.

14
15
16
17 ---Short recess.

18
19
20
21
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23
24
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29
30



A. In the club, there was. There

was a boy.

Q. That is all.

THE COURT: All right.

THE COURT: All right.

MR. WILSON: I would like a continuance

if possible before I call the next witness.

THE COURT: Well, it is time

to go on.

Q. That is all, thank you.

---The witness withdrew.

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1 MR. WILSON: Call Max Bluestein.

2
3
4
5 MAX BLUESTEIN, sworn

6 EXAMINED BY MR. WILSON:

7
8 Q. Where do you reside?

9 A. At 20 Ridge Hill Drive.

10 Q. When were you born?

11 THE COMMISSIONER: Q. Where is that?

12 A. Forest Hill Village.

13 I was born in Hamilton.

14 MR. WILSON: Q. What year?

15 A. 1912.

16 Q. What was your name at that time?

17 A. The same name I have now.

18 Q. What is your name now?

19 A. Just as I told you my name.

20 Q. What is the reference that is
21 associated with your name of Maxie Baker?

22 A. I used to work in a bakeshop.

23 THE COMMISSIONER: Q. What is that?

24 A. I used to work in a bakeshop.

25 Q. Where, in Toronto?

26 A. No, in the States.

27 MR. WILSON: Q. It was just a nickname?

28 A. Yes, because I worked in a bake
29 shop they called me Baker.

30 Q. What was your schooling?



THE UNITED STATES OF AMERICA

IN SENATE

COMMITTEE ON INTERCOMMERCE

WITNESSES

DR. J. H. HARRIS

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1 A. Average.

2 Q. I mean, when did you leave school,
3 at what grade?

4 A. Well, you are going a way back;
5 I don't remember.

6 Q. Did you ever go to high school?

7 A. No, sir.

8 Q. When did you start to work, at
9 what age?

10 A. I started quite young, setting
11 up pins. Selling newspapers.

12 THE COMMISSIONER: Q. You were born in
13 Hamilton?

14 A. Yes.

15 MR. WILSON: 1912.

16 THE COMMISSIONER: 1912.

17 Q. Tell me, how long did you stay
18 in Hamilton?

19 A. I think I left Hamilton 1935.

20 Q. Where did you go?

21 A. I think it's '35; I am not sure.

22 Q. Where did you go?

23 A. I went down to the States.

24 Q. What part of the States?

25 A. I was in Texas, Oklahoma.

26 Q. Take them one at a time and in
27 the order. You left Hamilton and went where?

28 A. I went down south -- west, I
29 should say. Texas.
30



Q. I mean, when did you leave school?

as that thing?

A. Well, you are going a way back;

I can't remember.

Q. Did you ever go to high school?

A. No, sir.

Q. When did you start to work, or

when did you

A. I started with some, selling

up some. Selling newspapers.

THE COMMISSIONER: Q. You were born in

that town?

A. Yes.

Q. When did you

leave school?

Q. Tell me, how long did you stay

in that town?

A. I think I left Hamilton 1895.

Q. Where did you go?

A. I think it's 1895 I am not sure.

Q. Where did you go?

A. I went down to the States.

Q. What kind of work did you do?

A. I was in Texas, selling some.

Q. Take them one at a time and in

the order. You left Hamilton and went to Texas?

A. I went down south -- well, I

was in Texas.



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Q. What part of Texas?

A. I was in Fort Worth, Dallas and
Amarillo.

Q. Where did you go first?

A. I was hitchhiking; I was broke;
I didn't have any money.

Q. You went to Texas, Fort Worth.
And where else in Texas?

A. I was at Amarillo, Texas.

Q. Yes?

A. I went to L.A.

Q. Just a moment, now. You stayed
in Texas for a while, Fort Worth and Amarillo.
And where else in Texas?

A. That is all.

Q. All right. How long did you stay
in Texas?

A. Well, I don't remember. It's
years ago; I was just drifting, that's all.

Q. How long did you stay in Texas?

A. Maybe a month, two months.

Q. Then, where did you go?

A. I went to L.A. I think it was
in '33. I am not sure.

Q. '33?

A. It could be. I am not sure of
the date.

Q. You said you left Hamilton in '35.

A. Maybe I am wrong.



Q. What part of Texas?
A. I don't know, I don't know.
Q. Where did you go first?
A. I was hitchhiking; I was looking for money.
Q. You found it, didn't you?
A. And where else in Texas?
A. I was at Amarillo, Texas.
Q. Yes?
A. I went to L.A.
Q. Just a moment, now. You stayed in L.A. for a while, didn't you?
A. Not much else in Texas.
Q. That is all.
A. All right. How long did you stay in Texas?
A. I was just drifting, that's all.
Q. How long did you stay in Texas?
A. Maybe a month, two months.
Q. Then, where did you go?
A. I went to L.A. I think it was in '35.
Q. I am not sure.
A. '35?
Q. It could be. I am not sure of the date.
Q. You said you left Texas in '35.
A. Maybe I am wrong.



1 MR. WILSON: Q. Maybe I can help you.
2 You were convicted in --

3 A. What's my convictions got to do
4 with me?

5 Q. I thought it would help you fix
6 the time.

7 A. You don't have to bring out my
8 convictions. I don't think you are being
9 fair.

10 Q. The Commissioner will decide
11 that.

12 A. I have been crucified enough,
13 I think.

14 THE COMMISSIONER: Q. Just listen to me.
15 Look at me when I am talking to you, never
16 mind him. Can you recall when you left Hamilton?

17 A. I believe it was in '33. I
18 am not sure.

19 Q. '33. All right. Now, then,
20 you were in Texas for a month or so and, then,
21 you went to Los Angeles?

22 A. Yes.

23 Q. How long did you stay there?

24 A. Maybe six months.

25 Q. What did you do there?

26 A. I was working in the bake shop.

27 Q. Then, where did you go?

28 A. I come back to Toronto.

29 Q. You came to Toronto. To live? You
30



MR. WILSON: A. Now I can help you.

You were convicted in --

A. That's my conviction, but so do

I thought it would help you.

A. You don't have to put up with

convictions. I don't think for the

The Government will decide

A. I am not a convicted

THE GOVERNMENT: A. That is not to me.

Look at me when I am talking to you, never

mind him. And you recall when you left Hamilton

A. I believe it was in '33. I

A. All right. Now, when

you were in Texas for a month or so and then

A. Yes.

A. How long did you stay there?

A. That did you or what?

A. I was working in the same way.

A. Then, when did you get

A. I came back to Texas.

A. You came to Texas. To live?



1 came to live in Toronto?

2 A. That is right.

3 Q. You were broke in Texas?

4 A. Yes, I was.

5 Q. Were you broke when you got back
6 to Toronto?

7 A. No, I wasn't.

8 Q. Did you have much money when you
9 got back to Toronto?

10 A. Yes, I did.

11 Q. How much?

12 A. I had a couple thousand dollars.

13 Q. No more?

14 A. Oh, I don't know exactly what
15 I had. I had a few thousand dollars.

16 Q. You said a couple thousand dollars.

17 A. Yes, a couple is a few.

18 Q. I know. A couple is two. You
19 had about \$2,000?

20 A. It could be eighteen hundred;
21 it could be twenty-two hundred; I don't know.

22 Q. That is close enough. Have you
23 lived in Toronto ever since?

24 A. Yes.

25 THE COMMISSIONER: All right, Mr. Wilson.

26 MR. WILSON: Q. Just look over that
27 police record and tell me whether or not it
28 is correct?

29 A. I think it is all right.
30



Q. Now, did you see him?

A. Yes, I did.

Q. Did you see him on the day of the murder?

A. Yes, I did.

Q. Were you alone when you saw him?

A. Yes.

A. No, I wasn't.

Q. Did you have any money when you saw him?

A. Yes, I did.

Q. How much?

A. I had a couple thousand dollars.

Q. Did you see him again?

A. No, I didn't.

Q. Did you see him again?

A. Yes, I did. I had a few thousand dollars.

Q. Did you see him again?

A. Yes, a couple is a lot.

Q. I know. A couple is two. You

had about \$2,000?

A. It could be eighteen hundred.

Q. It could be twenty-two hundred; I don't know.

A. That is close enough. Have you

lived in Toronto ever since?

A. Yes.

Q. Did you see him again?

A. Yes, I did. I saw him over the

police record and tell me whether or not it

is correct?

A. I think it is all right.



1 Q. You had better take a look at it.

2 THE COMMISSIONER: Q. You have not
3 looked at it. You had better be sure.

4 A. I am satisfied with it. That
5 it's right. I think I have had enough of it.

6 Q. Just a moment. You are here
7 and you are going to answer the questions as
8 they are asked.

9 That will be Exhibit 291.

10
11 ---EXHIBIT NO. 291: Toronto Police record of
12 Max Bluestein.

13 Q. You were apparently back in
14 Toronto in 1934?

15 A. That is probably right.

16 Q. Because I see you were convicted
17 on October 31, 1934.

18 A. Probably right.

19 Q. How long had you been back before
20 you committed the offence with which you were
21 then convicted?

22 A. I wouldn't know exactly.

23 Q. Approximately?

24 A. It could be six months, a year; I
25 am not sure.

26 MR. WILSON: Q. Before you left
27 Hamilton did you ever have any legitimate
28 job there? Did you work any place, apart
29 from papers and setting up pins?

30 A. Yes, I worked in a cotton mill there.



Q. You had better take a look at it.

THE COMMISSIONER: Q. You have not

A. I am satisfied with it. That

is right. I think I have had enough of it.

Q. Just a moment. You are here

and you are going to answer the questions as

they are asked.

---WITNESS: Q. Now, I have heard of
Max Winston.

A. You were apparently back in

Toronto in 1934?

A. That is probably right.

Q. Because I see you were convicted

in 1934.

A. Yes, I was.

Q. How long had you been back before

you committed the offense with which you were

A. I wouldn't know exactly.

Q. Approximately?

A. It could be six months, a year; I

am not sure.

MR. WILSON: Q. Before you left

Hamilton did you ever have any telephone

job there? Did you work any place, apart

from doctors and acting as piano

A. Yes, I worked in a chain mail factory.



1 Q. And, then, --

2 THE COMMISSIONER: Q. You would be
3 about twenty, twenty-one when you left Hamilton?

4 A. I am fifty today; I don't know
5 how old I was then.

6 Q. You were born in 1912. If you
7 left there in 1933 you would be twenty-one?

8 A. I don't know if I left exactly
9 in '33.

10 Q. Well, it was '33, apparently.

11 A. It could be.

12 MR. WILSON: Q. Did you have a record
13 in Hamilton before you came to Toronto?

14 A. Why do you keep asking me about
15 my record? Are you trying to smear me?
16 Is that what you are trying to do?

17 THE COMMISSIONER: Q. Just a moment.
18 Bluestein, look at me. You are here and you
19 are going to answer the questions when they
20 are asked. I will rule whether they are
21 admissible or not.

22 A. This is a crime probe. What has
23 this got to do with my past? I have paid
24 for my past.

25 Q. We will see.

26 MR. WILSON: Q. The question was: Did
27 you have any police record before you came to
28 Toronto?

29 A. You have it in front of you.
30



Q. And, again, --

THE COMMISSIONER: Q. You would be

A. I am thirty years; I don't know

now old I was then.

Q. You were born in 1912. It was

late there in 1912 you would be thirty years?

A. I don't know. I don't know.

Q. Well, it was '32, approximately.

MR. WILSON: Q. Did you have a record

in Hamilton before you came to Toronto?

A. Why do you keep asking me about

my record? Are you trying to embarrass me?

Is that what you are trying to do?

THE COMMISSIONER: Q. Just a moment.

Witness, look at me. You are here and you

are going to answer the questions when they

ask you. It will help you to answer.

admissible or not.

A. This is a serious probe. What has

this got to do with my past? I have been

for my part.

Q. We will see.

MR. WILSON: Q. The question was: Did

you have any police record before you came to

A. You have it in front of you.



1 THE COMMISSIONER: Q. Did you have a
2 record in Hamilton?

3 A. He has it in front of him, he
4 knows I didn't have one.

5 MR. WILSON: This is the Toronto Police
6 record, Mr. Commissioner, that I have before
7 me.

8 THE COMMISSIONER: Q. Were you con-
9 victed in Hamilton?

10 A. When I left Hamilton I was maybe
11 twelve, thirteen years of age; I wasn't sixteen.

12 Q. You were born in 1912, you left
13 in 1932?

14 A. When I left Hamilton, I was a kid;
15 I was under sixteen years of age.

16 Q. Did you have any record at that
17 time?

18 A. Do you want to go into my
19 juvenile past, too?

20 Q. I am asking you: Did you have a
21 record?

22 A. I may have stole a bottle of pop.

23 Q. All right.

24 MR. WILSON: Q. After you came to
25 Toronto what legitimate jobs or enterprises were
26 you involved in?

27 A. I was in the chicken business.

28 Q. You were in the what?

29 A. In the poultry business.
30



THE COMMISSIONER: Q. Did you have a

record in Hamilton?

A. He had it in front of him, he

was looking at it.

MR. ALLEN: This is the record of the

record, Mr. Commissioner, that I have before

THE COMMISSIONER: Q. Were you a

member of the

A. When I left Hamilton I was

not a member of the

Q. You were born in 1887, was you?

A. When I left Hamilton, I was a

Q. Did you have any record at that

time?

A. No, you want to go into my

private life?

Q. I am asking you: Did you have a

A. I may have made a habit of

MR. ALLEN: Q. When you came to

the city, did you have any record?

Did you have any?

A. I was in the city when

Q. You were in the city?

A. In the police station.



1 THE COMMISSIONER: Q. When?

2 A. Ten years.

3 Q. When? We have it you got back
4 here about 1933 or 1934.

5 A. That is right.

6 Q. All right. When did you go into
7 the poultry business?

8 A. I guess during the war.

9 Q. What year, approximately?

10 A. I don't know exactly.

11 Q. Where was your place of business?

12 A. I worked out of my house. I
13 went out in the country. I went out on the
14 road.

15 Q. Gathering poultry?

16 A. That is right.

17 Q. Just a moment. Where were you
18 living then?

19 A. I don't remember, now.

20 Q. Was it at the present address?

21 A. No.

22 Q. Then, where was it? You remember
23 that.

24 A. I have been living where I am
25 living now for fifteen years.

26 Q. Where were you living when you
27 operated the poultry business?

28 A. I don't remember, sir.

29 Q. What part of the city, or was it
30



THE COMMISSIONER: Q. When

A. Yes, sir.

Q. When we have it you had been

A. Yes, sir.

A. That is right.

A. Yes, sir.

A. Yes, sir.

A. I went during the war.

A. Yes, sir.

A. I don't know exactly.

Q. Where was your place of business?

A. I worked out of my house. I

went out in the country. I went out on the

road.

A. Generating business.

A. That is right.

A. That is correct. There were no

other firms.

A. I don't remember, now.

Q. Was it at the present address?

A. No.

Q. Then, where was it? Was it

that.

A. I have been living where I am

living for the last year.

Q. Where were you living when you

operated the battery business?

A. I don't remember, sir.

Q. What part of the city, or was it



1 in the city?

2 A. It was in the city.

3 Q. What part of the city?

4 A. Around John Street. I lived in
5 rooming houses.

6 Q. You lived in a rooming house?
7 You mean, as a roomer?

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12 (Page 12295 follows)
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THE NEW YORK

A. It was in the city.

B. And you were there?

A. Around John Street. I lived in

the house.

B. The house on John Street?

Yes, that's right.

(Pause)



D/JNG/1

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Q. I see. So you were living as a roomer in some house and from that place ---

A. No, different houses, a number of houses.

Q. In a house?

A. That is right.

Q. And from that address, you operated the chicken business. Is that what you say?

A. It is from the address I went out in the country.

Q. That was your headquarters?

A. No, that is where I slept.

Q. Where were your headquarters?

A. I don't know what you mean.

Q. Well, where did you bring the chickens?

A. To a fellow who would take them and sell them to the corporation.

Q. What corporation?

A. Any one of them.

Q. I see. There was a car?

A. No, I go out in a truck. I go out with anybody. Anybody who had a truck, I would go out and buy chickens with him.

Q. He would be in the chicken business and you were helping him?

A. I would be in with him.

Q. You would gather up chickens ---

A. I was a capable man so he would



Q. 1

A. I see. So you were sitting in a

2

room in some house and that time place ---

3

A. Yes, that is right.

4

of houses.

5

A. In a house?

6

A. That is right.

7

Q. And from that house, you observed

8

the following things. Is that correct?

9

A. It is from the window I saw

10

one in the country.

11

Q. That was your observation?

12

A. Yes, that is what I saw.

13

Q. And you saw that person?

14

A. I don't know who he was.

15

Q. Well, where did you bring the

16

person?

17

A. To a fellow who would take them

18

and bring them to the corporation.

19

Q. How many of them?

20

A. Any one of them.

21

Q. I see. There was a car?

22

A. No, I go out in a car. I go out

23

with anybody. Anybody who had a car, I

24

would go out and buy clothes with him.

25

Q. He would be in the company of him?

26

and you were helping him?

27

A. I would be in with him.

28

Q. You would get up clothes ---

29

A. I was a general man to be with

30



1 want them.

2 Q. You would gather up chickens in
3 the country, bring them in and sell them to
4 stores?

5 A. No, sell them to the corporation.

6 Q. What do you mean by "corporation"?

7 A. It is a co-op. like Swift's have
8 or any place where you sell your butter or
9 cheese.

10 I see.

11 Q. A All right.

12 MR. WILSON: Q. What other legitimate
13 enterprise were you engaged in?

14 THE COMMISSIONER: Q. How long did you
15 continue in that?

16 MR. WILSON: He said two or three years.

17 THE WITNESS: Who? What?

18 MR. WILSON: Q. You said you were in
19 the chicken business two or three years?

20 A. I didn't say that.

21 THE COMMISSIONER: Q. How long?

22 MR. WILSON: Q. What did you say?

23 A. For a number of years.

24 THE COMMISSIONER: Q. How long?

25 A. I don't know exactly.

26 Q. Approximately?

27 A. It could be five or six years.

28 Q. It could be, but was it?

29 A. I am not sure. I am under oath.

30 I am not sure.



Q. You would prefer to choose in

the company, didn't you in the first place to

A. No, well then to the corporation.

Q. What do you mean by "corporation"?

A. It is a go-up. Like Delta's here

on any place where you sell your butter or

MR. WILSON: A. And that is all.

THE COURT: Q. Now long did you

MR. WILSON: He said two or three years.

MR. WILSON: Q. You said you were in

the chicken business two or three years?

A. I didn't say that.

A. For a number of years.

THE COURT: Q. Now how long?

A. It could be five or six years.

Q. It could be, but how long?

A. I am not sure. I am pretty sure.

I am not sure.



1 Q. Just keep that in mind. As nearly
2 as you estimate, how long were you in that
3 business?

4 A. About five or six years.

5 Q. All right.

6 MR. WILSON: Q. Were you still in that
7 business when war broke out?

8 A. I had to get a Wartime Prices and
9 Trade Board card. Yes, I was.

10 Q. Were you in the Army during the
11 war?

12 A. No, sir. I wasn't called.

13 Q. After your experience in the chicken
14 business, what other businesses were you
15 engaged in?

16 THE COMMISSIONER: Q. What did you go into
17 next?

18 MR. WILSON: Q. Yes. What did you go
19 into next?

20 A. I went out as a salesman.

21 Q. For whom?

22 THE COMMISSIONER: Q. Selling what?

23 A. Selling anything.

24 Q. You weren't selling coffins?

25 A. I would sell tow ropes, anything
26 I could make a dollar on.

27 Q. Were you employed by somebody to
28 sell?

29 A. No. You go down and buy rugs or
30



Q. Just keep that in mind. An honest
an honest person, how long were you in that
business?
A. About five or six years.
Q. All right.
A. Wilson: Q. Were you still in that
business when you were there?
A. I had to get a husband's license and
three months later. Yes, I was.
Q. Were you in the Army during the
war?
A. Yes, I was.
Q. After your experience in the military
business, what other businesses were you
involved in?
Q. THE COMMISSIONER: Q. What did you do in
the military?
A. Wilson: Q. Yes, what did you do
in the military?
A. I went out as a sergeant.
Q. For whom?
A. Wilson: Q. What did you do
in the military?
A. I would sell for tobacco, and that
I could make a good one.
Q. Were you employed by anybody at
that time?
A. Yes, I was.



1 toys, anything you want, and go out and hustle it,
2 sell it, like anybody else.

3 MR. WILSON: Q. How long did that last?

4 A. I don't know exactly how long it
5 lasted.

6 Q. A matter of years?

7 THE COMMISSIONER: Q. What sort of
8 merchandise were you selling?

9 A. Selling tow ropes for cars, rugs,
10 tapestries.

11 Q. Tow ropes, rugs -- what else?

12 A. Tapestries.

13 Q. And that is it. All right, how
14 long did you continue in that business?

15 A. For a few years. I don't know
16 exactly.

17 Q. Well, approximately?

18 A. I don't know exactly, a few years.

19 Q. I know you don't know exactly.
20 Approximately how long?

21 A. Maybe two or three years.

22 Q. Let me see the record, Exhibit 291.

23 MR. WILSON: Q. Were you still in that
24 particular business when the war ended?

25 A. When the war ended?

26 Q. Yes.

27 A. No.

28 Q. What business were you in when war
29 ended?
30



Q. Now, regarding the wait, and go out and bring it.

A. Yes, that's correct.

Q. Now, when did you first see him?

A. I don't know exactly how long it

was.

Q. A matter of time?

A. Yes, that's correct.

Q. Were you in the building when you saw him?

A. Yes, that's correct.

Q. Now, when did you see him?

A. Now, when I saw him -- that's correct.

Q. Now, when did you see him?

A. And that is correct. All right, now

Q. Now, when did you see him?

A. For a few years, I don't know

exactly.

Q. Now, when did you see him?

A. I don't know exactly, a few years.

Q. I know you don't know exactly.

Q. Now, when did you see him?

A. Maybe two or three years.

Q. Let me see the record, please.

Q. Now, when did you see him?

Q. Now, when did you see him?

A. When the law is passed?

Q. Yes.

A. No.

Q. What happens now, you know?

Q. Now?



1 A. When the war ended, I was doing a
2 little bookmaking and kibitzing around.

3 Q. When did you first get into the
4 bookmaking business?

5 A. I don't know exactly.

6 Q. Was it some time during the war,
7 I take it?

8 A. It could be. I am not sure of
9 the date.

10 THE COMMISSIONER: Q. Was it while the
11 war was on?

12 A. Well, I have been working. I go
13 out and do a little bookmaking at the same
14 time.

15 Q. Was it when the war was on?

16 A. It could be.

17 Q. Well, was it?

18 A. I'm not sure.

19 Q. What is your best recollection?

20 A. I am not sure.

21 Q. Have you no recollection at all?

22 A. I'm not positive.

23 Q. Have you any recollection at all?

24 A. I'm not sure.

25 Q. I know you are not certain. You
26 have said that several times. What is your
27 best recollection?

28 A. I'm not sure.

29 Q. Witness, you and I are not going to
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A: When the war ended, I was born a
little later than the war ended.
Q: When did you know the war ended?
A: I don't know exactly.
Q: How is it that you don't know?
A: I take it.
Q: It could be. I am not sure of
the date.
Q: The Commission: A. Yes, it was the
war was on?
A: Well, I have been working. I do
one and do a little bookkeeping at the same
time.
Q: Was it when the war was on?
A: It could be.
Q: Well, was it?
A: It was.
Q: What is your best recollection?
A: I am not sure.
Q: Have you no recollection at all?
A: I'm not positive.
Q: Have you any recollection at all?
A: I'm not sure.
Q: I know you are not certain. You
have said that several times. What is your
best recollection?
A: I'm not sure.
Q: Where, you said I was not going to



1 engage in any sparring. I am going to get the
2 answers. I want to know and you are under
3 oath.

4 A. I am telling you the truth.

5 Q. All right. What is your best
6 recollection? Was it when the war was on
7 that you started bookmaking?

8 A. I was bookmaking. I didn't say
9 I wasn't bookmaking. I said I was out
10 working at the same time.

11 Q. You told us that. Was it when
12 the war was on? That is what I want to know
13 to the best of your recollection?

14 A. I'm not positive.

15 Q. You aren't positive, but what is
16 your best recollection?

17 A. It could be.

18 Q. Was it likely?

19 A. It could be. I wouldn't say it
20 was likely or not likely. I'm not positive.

21 MR. WILSON: Q. Were you engaged in
22 bookmaking prior to the war?

23 A. Prior to the war?

24 Q. Yes.

25 A. I don't think so.

26 Q. And after ---

27 THE COMMISSIONER: Q. Are you married?

28 A. Yes.

29 Q. When did you get married? Do you
30



THE JOY OF, L.L. & I.

...and I want to leave and go to the ...

I am collecting for the

[illegible]

I want to bookkeeping. I also I was a

4. I am not positive.

It could be .A

Went to school

was likely or not likely. I'm not positive.

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1900



1 remember that?

2 A. 1939.

3 Q. All right. Were you married when
4 you started bookmaking?

5 A. No, I wasn't bookmaking when I was
6 married.

7 Q. So you started bookmaking some
8 time after 1939?

9 A. That is right.

10 Q. All right.

11 MR. WILSON: Q. Now, after the war, did
12 you have any other occupation other than that
13 of a gambler?

14 A. I just got through telling you
15 what I was doing.

16 Q. I said after the war, up to the
17 present time?

18 A. I told you I was selling tapestries
19 and rugs.

20 Q. You told us?

21 A. I think if you check your files,
22 you will see I am right.

23 Q. Well, ---

24 THE COMMISSIONER: Q. You were in that
25 particular line of business, selling, for two
26 or three years. Now, after you stopped as a
27 salesman?

28 A. I would always go out. I couldn't
29 make enough money bookmaking so I would go out
30



Question 1000

Q. Now, were you married when

you started bookkeeping?

A. Yes, I was married when I

started bookkeeping.

Q. Now, about the war, was

the bookkeeping

done in 1917?

A. Yes, it was.

Q. Now, about the war, was

the bookkeeping

done in 1917?

A. Yes, it was.

Q. Now, about the war, was

the bookkeeping

done in 1917?

A. Yes, it was.

Q. Now, about the war, was

the bookkeeping

done in 1917?

A. Yes, it was.

Q. Now, about the war, was

the bookkeeping

done in 1917?

A. Yes, it was.

Q. Now, about the war, was

the bookkeeping



1 and try to make a dollar elsewhere.

2 Q. When did you cease operations as a
3 salesman?

4 A. I never did. I always worked
5 while I was bookmaking. I always done
6 something.

7 Q. What were you doing?

8 A. I couldn't make enough money book-
9 making.

10 Q. You are the exception. You are a
11 very wealthy man to-day, are you not?

12 A. Yes. I have a wonderful wife
13 and two wonderful children. I am very
14 wealthy.

15 Q. Financially you are a very wealthy
16 man to-day?

17 A. Financially?

18 Q. Yes.

19 A. You are telling me I am a wealthy
20 man?

21 Q. Yes.

22 A. You are telling me?

23 Q. Yes. Do you agree with me?

24 A. I don't. I don't know where you get
25 the idea I am a wealthy man. I am a wealthy
26 man with my wife and two children.

27 Q. I am glad of that.

28 A. That is what I am wealthy. That
29 is more than a lot of people have got. I have
30

1835

[illegible]

THEY ARE I . . . NOTHING LEFT OF THE OLD ONE

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• 29Y •

Yes, I am a boy .A

100Y .5

YOU ARE BEING SPOILED

[illegible]

...и не только, но и в то же время...

to be as I .9

A. There is more to it than that.

It would be a lot of people have, too. I have



1 happiness at home.

2 Q. All right. Apart from that, have
3 you a lot of money to-day?

4 A. I have some money.

5 Q. Have you a lot of money to-day?

6 A. I wouldn't say I have a lot of
7 money.

8 Q. What is your present worth?

9 A. Oh, maybe \$170,000. That is
10 roughly. I am not giving you the exact figure.

11 MR. WILSON: Q. Is the house you live
12 in in your name?

13 A. No, sir.

14 Q. Whose name is it in?

15 A. My wife's name.

16 Q. Did she have any money when she
17 married you?

18 A. My wife?

19 Q. Yes.

20 A. She could have had a few dollars.

21 Q. Has she fallen heir to any money
22 apart from what you have given her since that
23 time?

24 A. Yes, she got some money.

25 THE COMMISSIONER: Q. Has she inherited
26 any money?

27 A. Her mother left her some money.

28 Q. How much?

29 A. I think she left her about \$8,000.
30



happened at home.
Q. All right. About the time, then,
you a lot of money to-day?
A. I have some money.
Q. How much?
A. I couldn't say I have a lot of
money.
Q. What is your present money?
A. Oh, maybe \$10,000. That is
about it. I am not having for the other things.
Q. Mr. Wilson: is the money you give
to the bank?
A. No, sir.
Q. Where does it go to?
A. It stays here.
Q. Did you have any money when you
started your
business?
A. Yes.
Q. How much?
A. She could have had a few dollars.
Q. Has she taken out any money
since then?
A. Yes, she has some money.
Q. How much?
A. Not much. Not very much money.
Q. I think she has about \$5,000.



1 She gave her about eight thousand.

2 MR. WILSON: Q. What would the value of
3 the house you live in be?

4 A. I paid \$13,000 for my first house
5 and sold it for twenty-one. That is what I
6 paid for the one I am in. Thirteen thousand
7 was my initial investment in the house about
8 seventeen years ago.

9 Q. What is it worth to-day?

10 A. To-day? I am not sure.

11 THE COMMISSIONER: Q. Just a moment,
12 witness. Wait a minute. He paid eight thousand?

13 A. No, thirteen thousand dollars I
14 paid for my house.

15 Q. The one you are in now?

16 A. No.

17 Q. I thought you said you paid \$8,000?

18 A. I said my wife was left -- her
19 mother gave her about \$8,000.

20 Q. All right. You bought a house,
21 did you, the first house?

22 A. For \$12,900.

23 Q. Where was it?

24 A. Wembley and Glen Arden.

25 Q. You sold it?

26 A. I sold it for twenty-one and bought
27 another house for twenty-one, and I am still
28 living in the house I bought.

29 Q. And you put it in your wife's name?
30



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Q. What would the value of the house be if it were sold today?

A. I paid \$12,000 for my first house and sold it for twenty-one. That is what I paid for the one I am in. Thirteen hundred was my initial investment in the home some seventeen years ago.

Q. What is it worth today?

A. Today?

Q. Yes, today.

A. Well, I am not sure, but I would say it is worth about \$20,000.

Q. The one you are in now?

A. No.

Q. I thought you said you paid \$20,000?

A. I said my wife was left -- her mother gave her about \$20,000.

Q. All right. You bought a house?

A. Yes, the first house?

A. For \$12,000.

Q. Where was it?

A. Kentucky and Ohio border.

Q. You said it?

A. I said it for twenty-one and so on.

Q. Another house for twenty-one, and I am still living in the house I bought.

Q. And you put it in your wife's name?



1 A. Yes.

2 Q. All right.

3 MR. WILSON: Q. I take it you have still

4 carried on this salesman operation up to the

5 present time?

6 A. I always worked.

7 Q. You are still working at the

8 salesman -- as a salesman?

9 A. I am working now.

10 Q. Do you have an office?

11 A. Yes.

12 Q. Where is your office?

13 A. At home.

14 THE COMMISSIONER: Q. What are you doing?

15 A. I buy bankrupt stocks.

16 MR. WILSON: Q. And in the last ten years

17 have you made income tax returns?

18 A. I have.

19 Q. How do you describe yourself in

20 your income tax returns?

21 A. As a gambler and as a business man.

22 THE COMMISSIONER: Q. Both?

23 A. To the best of my recollection that

24 is right.

25 MR. WILSON: Q. And over the last ten

26 years, what would you say the average shown

27 on your income tax return would be as income

28 from any business you might have been carrying

29 on as a salesman or otherwise?

30



A. Yes.

Q. All right.

Q. Witness: Q. I want to know if you have called

anybody on this afternoon operation up to the

A. I have not.

Q. Is that all?

Q. Do you have any other?

A. Yes.

Q. What is that?

A. At home.

Q. This Commission: Q. What are you doing?

A. I buy breakfast noons.

Q. Witness: Q. And in the last few days

have you made income tax returns?

A. I have.

Q. How do you describe yourself in

your income tax returns?

A. As a laborer and as a business man.

Q. Witness: Q. Really?

A. To the best of my recollection that

is right.

Q. Witness: Q. And over the last few

years, would you say the average income

on your income tax returns would be an income

from any business or other source?

Q. On an average or otherwise?



1 A. I don't know. You will have to ask
2 the income tax people.

3 Q. Oh, no. You have a recollection
4 of that?

5 A. I have a fair recollection.

6 Q. Let's have your best recollection.

7 A. I think this year I made \$30,000.

8 Q. This past ---

9 A. 1961.

10 Q. In 1961?

11 A. I think I made around thirty thousand.

12 Q. How much of that would be gambling
13 and how much of it would be business?

14 A. Business, about \$26,000 in business,
15 maybe two thousand betting.

16 Q. And did you keep a set of books
17 which showed how you earned the \$28,000?

18 A. My books, sure. The accountant
19 has the books.

20 Q. Who is your accountant, by the way?

21 A. I have no special accountant.

22 Q. You said the accountant had the
23 books. Who is he?

24 A. Kenny Cerezni is my accountant.

25 Q. Spell that, please.

26 A. C-e-r-e-z-n-i --- Cerezni.

27 Q. Where is his office?

28 A. He comes to my house.

29 Q. Where does he live?
30



Q. I don't know. You will have to ask
A. I have a fair recollection.
Q. You have a recollection of
A. I have a fair recollection.
Q. You have your best recollection.
A. I think this year I made \$10,000.
Q. How much of that would be taxable?
A. I think I made about \$10,000 in business.
Q. And how much of it would be taxable?
A. Butternut, about \$10,000 in business.
Q. And did you keep a set of books?
A. Yes, books, sure. The accountant
Q. Who is your accountant, by the way?
A. I have no special accountant.
Q. You said the accountant had the
A. Who is he?
Q. Henry Corbett in my accounting.
Q. Where is he now?
A. He came to my house.
Q. Where does he live?



1 A. He is -- he goes around with my son.

2 Q. Where does he live?

3 A. I don't know where he lives.

4 Q. How do you get in touch with him?

5 A. He comes to my house. He is

6 there three or four times a week. I don't

7 have to look for him.

8 Q. His first name is Kenny?

9 A. That is right.

10 Q. Cerezni. You don't know where
11 he lives?

12 A. No, sir.

13 Q. You remember you are on oath?

14 A. That is right.

15 Q. Does he live in Toronto?

16 A. That is right.

17 Q. He lives in Toronto. What part
18 of Toronto?

19 A. I don't know.

20 Q. Scarborough?

21 A. I don't know where he lives.

22 Q. You have no idea where he lives.

23 You say he has your books?

24 A. That is right.

25 Q. If you want to get the books, how
26 do you get them?

27 A. He comes to my house three or four
28 times a week. I have told you four times.

29 Q. To look after your business?
30



Q. He is -- he goes around with my son.
A. I don't know where he lives.
Q. How do you get in touch with him?
A. He comes to my house. He is
there once or twice a week. I don't
have to look for him.
Q. His thing was to look for
A. That is right.
Q. General. You don't know where
he lives?
A. Yes, I do.
Q. You remember not one of them
A. Yes, I do.
Q. Does he live in Toronto?
A. That is right.
Q. He lives in Toronto. That is
of Toronto?
A. I don't know.
Q. I don't know where he lives.
Q. You have no idea where he lives.
Q. You say he has your money?
A. That is right.
Q. If you want to get the money, you
A. He comes to my house once or twice
times a week. I have told you that before.
Q. To look after your money?



1 A. No. He is a friend of my son. I
2 have told you three or four times.

3 Q. I see. How old is your son?

4 A. Twenty-two.

5 Q. Is this Kenny Cerezni about your
6 son's age?

7 A. No. I think Kenny would be about
8 twenty-six.

9 Q. And he has your books. Is that
10 what I understood you to say?

11 A. Yes. I give him my books.

12 Q. Has he got them now?

13 A. It could be. I'm not sure.

14 Q. What kind of books are they?

15 A. Where I done my business.

16 Q. A ledger, bank books, what?

17 A. What I earned this year. He has
18 all the---

19 Q. He has your books. As I under-
20 stand you, Bluestein, you keep books and from
21 time to time you give your books to your
22 accountant?

23 A. My legitimate books, yes, my bank
24 statements.

25 Q. Your bank books?

26 A. That is right.

27 Q. Where do you do your banking?

28 A. Eglinton and Hilltop.

29 Q. What bank?
30



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A. No. He is a friend of my son. I
have sold you three or four times.
Q. I see. How old is your son?
A. Twenty-two.
Q. Is this Henry Oswald about your
son?
A. No. I think Henry would be about
twenty-six.
Q. And he has your books. Is that
what I understood you to say?
A. Yes. I give him my books.
Q. Has he got them now?
A. It could be. I'm not sure.
Q. What kind of books are they?
A. I don't know.
Q. A ledger, bank books, money
A. What I earned this year. He has
all of them.
Q. He has your books. He has
your son, Mr. Winston, you keep books and then
give to him you give your books to him.
Q. Yes.
Q. My legitimate books, yes, my bank
books.
Q. Your bank books?
A. That is right.
Q. Where do you go your money?
A. Burlington and Watertown.



- 1 A. The Bank of Montreal.
- 2 Q. How many accounts have you there?
- 3 A. I have two accounts there.
- 4 Q. Both in your name?
- 5 A. Yes, sir.
- 6 Q. Where else do you do banking?
- 7 A. That's all.
- 8 Q. Is that the only place?
- 9 A. That's right.
- 10 Q. Any safety deposit boxes?
- 11 A. Yes, I have.
- 12 Q. Where is it?
- 13 A. Yonge and Richmond and Eglinton and
- 14 Bathurst.
- 15 MR. WILSON: Well ---
- 16 THE COMMISSIONER: Just a moment.
- 17 Q. Yonge and Richmond. Is that a
- 18 bank?
- 19 A. Yes, sir.
- 20 Q. What is the name of the bank?
- 21 A. Toronto Dominion.
- 22 Q. And the other one is at Eglinton
- 23 and what?
- 24 A. Hilltop.
- 25 Q. Is that a bank -- is that where
- 26 you do your banking, the Bank of Montreal?
- 27 A. That is right.
- 28 Q. Any other safety deposit boxes?
- 29 A. No, I haven't.
- 30



A. The bank of the street.

Q. How many accounts have you there?

A. I have two accounts there.

Q. What is the name of the bank?

A. The Bank of Montreal.

Q. Where else do you do banking?

A. That's all.

Q. Is that the only place?

A. That's right.

Q. Any other deposits there?

A. Yes, I have.

Q. Where is it?

A. Young and Richmond and Kingston and

Richmond.

Q. What is the name of the bank?

A. The Bank of Montreal.

Q. Young and Richmond. Is that a

branch?

A. Yes, sir.

Q. What is the name of the bank?

A. Toronto Dominion.

Q. And the other one is at Kingston?

A. Yes.

Q. Is that a bank -- is that where

you do your banking, the bank of Montreal?

A. That is right.

Q. Any other money deposits there?

A. No, sir.



1 Q. Are you sure?

2 A. To the best of my recollection.

3 Q. Surely you can remember if you
4 have a safety deposit box elsewhere?

5 A. I said to the best of my recollection.

6 MR. WILSON: Maybe the witness is confused
7 between a bank and a trust company.

8 THE WITNESS: I am not confused.

9 MR. WILSON: I thought you might be.

10 THE COMMISSIONER: Q. Just look at me.
11 Where else do you have safety deposit boxes
12 besides those two places?

13 A. That is all I can remember.

14 Q. Are you pledging your oath you
15 can only remember those two?

16 A. That is all I can remember. That
17 is right.

18 Q. Have you a pretty good memory?

19 A. I would say a fair memory.
20 My doctor doesn't think I have a good memory.

21 Q. Oh? I will have to make my
22 estimate of your memory from your evidence.
23 You are swearing to the best of your memory,
24 your present memory -- that is right now --
25 you have only two safety deposit boxes. Is
26 that your evidence?

27 A. To the best of my memory.

28 Q. I say, to the best of your memory,
29 you have only two safety deposit boxes at the
30



Q. To the best of my recollection.

A. That is all I can remember.

Q. Have you any other evidence?

A. I said to the best of my recollection.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?

The witness: I am not certain.

Q. Now, I thought you might be.

A. Yes, I think so.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?

A. Yes, I think so.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?

A. Yes, I think so.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?

A. Yes, I think so.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?

A. Yes, I think so.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?

A. Yes, I think so.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?

A. Yes, I think so.

Q. Now, I am going to ask you to look at the photograph.

Between a man and a woman, is that correct?



1 present time?

2 A. To the best of my memory.

3 Q. All right.

4 MR. WILSON: Q. What qualifications has
5 this man got that you say prepares statements
6 for you for income tax purposes?

7 A. I don't know what you mean.

8 Q. Well, is he a chartered accountant?

9 A. Yes, that is right.

10 THE COMMISSIONER: Q. Are you sure of
11 that?

12 A. Yes, I am.

13 MR. WILSON: Q. And how long has he been
14 making up statements or preparing your income
15 tax returns for you? How many years?

16 A. This is the first year.

17 Q. This is the first year?

18 THE COMMISSIONER: Q. Who did it before?
19 Now, don't tell me you don't remember.

20 A. Bill Walton.

21 Q. Well, has Cerezni -- he hasn't
22 made up your income tax returns for this year
23 yet, has he?

24 A. No, he hasn't.

25 Q. He didn't make them up last year?

26 A. No, sir.

27 Q. So Cerezni has never made up any
28 income tax returns for you?

29 A. No. I said he is looking after it.
30



Q. Now, I know

A. To the best of my memory.

Q. All right.

Q. Now, I know

Q. Now, I know

Q. Now, I know

A. I don't know where you mean.

Q. Well, as he is a married man?

A. Yes, that is right.

Q. The Commission? A. And you know of

Q. Now, I know

A. Yes, I am.

Q. Now, I know

Q. Now, I know

Q. Now, I know

A. This is the first year.

Q. This is the first year?

Q. Now, I know

Q. Now, I know

A. Yes, I am.

Q. Well, now General -- he hasn't

Q. Now, I know

Q. Now, I know

A. No, he hasn't.

Q. He didn't make that up last year?

A. No, sir.

Q. So General has never made up any

Q. Now, I know

A. No. I said he is looking after it.



D/3

1 Q. He is looking after it now but he
2 hasn't made out the returns yet?

3 A. That is right.

4 Q. Who did it in the earlier years?

5 Walton. What is his first name?

6 A. William.

7 Q. Is he a chartered accountant?

8 A. Yes, sir.

9 Q. Where is his place of business?

10 A. He is on Richmond Street, in the
11 Temple Building.

12 Q. All right.

13 MR. WILSON: Q. In 1961 you said your
14 income tax return disclosed income from sources
15 other than gambling at 28,000?

16 A. I believe it is 28,000. I have
17 made ---

18 Q. What did it disclose in 1960?

19 A. I think it was about 20,000.

20 Q. And in 1959?

21 A. I think around the same, roughly.
22 I am not sure.

23 Q. When did you for the first time
24 ever declare a sum in excess of \$5,000 as
25 being income from some other source than
26 gambling?

27 A. I don't remember exactly when.

28 Q. Give us your best recollection.

29 A. Well, I mean, I may be out so
30

x



FROM READER OF THE NEW YORK TIMES

THE END

[illegible]

I believe it is \$5,000. I have

.A I am a student at the University of California, Berkeley.

• I think around the same time.

or to assist, and not to pay the money.

an 180,000 to 200,000 ft. deep

1. I don't remember it.

Give us your best recommendations.

09 JUL 68 JMW I , 0000



1 why should I?

2 THE COMMISSIONER: Q. Oh, I will take a
3 chance. To the best of your recollection?

4 A. What is that again? Repeat it
5 again.

6 MR. WILSON: Q. In what year for the
7 first time did you declare any other income
8 tax returns -- an amount in excess of \$5,000
9 as being income from other sources than
10 gambling?

11 A. I don't remember.

12 THE COMMISSIONER: Q. Have you got copies
13 of your income tax returns?

14 A. No, sir.

15 Q. Where are they?

16 A. I never keep them.

17 MR. WILSON: Q. Has Mr. Walton got copies?

18 A. Mr. Walton has nothing of mine.

19 Q. He has nothing of yours, but I
20 take it he would recollect what your figures
21 were?

22 A. The Income Tax Department know
23 my figures.

24 THE COMMISSIONER: Q. And you know them?

25 A. No, I don't.

26 Q. You are swearing you haven't got
27 copies of your income tax returns for any
28 year?

29 A. I may look in some drawers and find
30



THE COMMISSIONER: Q. Oh, I will take a

change. To the best of your recollection

A. What is that about? I never

Mr. Watson: Q. In what year, for the

time did you declare any other income

tax returns -- an amount in excess of \$2,000

or more than your own income?

Watson:

A. I don't know.

THE COMMISSIONER: Q. Have you not

any other income?

A. No, sir.

THE COMMISSIONER: Q. What year?

A. I don't know.

THE COMMISSIONER: Q. Now, what year?

A. Mr. Watson has nothing of mine.

Q. He has nothing of yours, but I

know in the world recollect what your income

was?

A. I don't know.

THE COMMISSIONER: Q. And you know

A. No, I don't.

Q. You are answering you haven't

copies of your income tax returns for any

year?

A. I only look in some drawers and



1 something, but I am not positive.

2 Q. Where would you generally keep them?

3 A. Put them in a drawer.

4 Q. I know. What part of the house?

5 A. No particular part.

6 Q. Have you got a desk at home?

7 A. No, I have no desk.

8 Q. Where do you keep your papers at
9 home, scattered all over the house?

10 A. Pretty well, outside of important
11 papers. I keep them in the safety deposit
12 box.

13 MR. WILSON: Q. When you say you got
14 into bookkeeping -- bookmaking -- we have
15 been talking about bookkeeping of sorts --
16 were you on your own or did you have
17 partners?

18 THE COMMISSIONER: Q. In bookmaking?

19 A. I was mostly on my own.

20 Q. Did you ever have partners?

21 A. To-day I may have Joe with me,
22 to-morrow I may have Loe with me, other times
23 I wouldn't be booking. It wasn't a steady
24 thing with me.

25 Q. Steady or unsteady, were you on
26 your own or were you in partnership with
27 somebody?

28 A. At times I may go in with somebody.

29 Q. Who, for example?
30



...but I am not positive.

But when in a hurry.

I know. There were in our house.

No particular date.

Have you not a book at home?

No, I have no book.

Where do you keep your papers?

...

A. Pretty well, outside of important

papers. I keep them in the study drawer

box.

Q. When you are not at

into bookkeeping -- bookkeeping -- we have

been talking about bookkeeping of notes --

were you on your own or did you have

partners?

...

A. I am mostly on my own.

Q. Did you ever have partners?

A. To-day I may have Joe with me,

to-morrow I may have Joe with me, some other

I wouldn't be positive. It wasn't a steady

thing with me.

Q. Steady or unstable, were you on

your own or were you in partnership with

...

A. As far as I may go in this country.

...



1 A. Manny Stone. I used to go in with
2 him.
3 Q. Who?
4 A. Manny Stone.
5 Q. What year was that?
6 A. Five or six years ago, I guess.
7 Q. Speak up.
8 A. About five or six years ago.
9 Q. All right. And who else?
10 A. I was in with Binder.
11 Q. Who?
12 A. Binder, B-i-n-d-e-r.
13 Q. Binder or Bender?
14 MR. WILSON: Q. Samuel Binder, is that
15 the one?
16 A. That is right.
17 THE COMMISSIONER: Q. When was that?
18 A. The last three or four years.
19 Q. Three or four years ago. Who
20 else?
21 A. A couple of years ago.
22 Q. A couple of years ago. And who
23 else?
24 MR. WILSON: Q. What about Joseph ---
25 THE COMMISSIONER: Just a minute.
26 Q. I am waiting.
27 A. What's that?
28 Q. Did you know I was waiting for an
29 answer to the question?
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A. Many stores. I used to go in there.
Q. When?
A. Last year.
Q. What year?
A. Last year.
Q. What year was that?
A. 1910 or 1911.
Q. How many stores?
A. About five or six years ago.
Q. All right. And who else?
A. I was in with them.
Q. What?
A. Binder, B-I-N-D-E-R.
Q. Binder on Bender?
A. Yes.
Q. What is that?
A. That is right.
Q. The Continental? Which was that?
A. The last place on Main Street.
Q. Where on Main Street?
A. A couple of years ago.
Q. And who?
A. A couple of years ago.
Q. What?
A. I am not sure.
Q. What's that?



1 A. You asked me about anybody else.

2 Q. Yes. I said who else?

3 A. Joe Zeldon would take the odd bet.

4 Q. As a partner of yours?

5 A. I don't know what you mean by a
6 partner.

7 Q. What was the relationship between
8 you and -- what is the name of these two men?

9 MR. WILSON: Joseph Zeldon and Samuel
10 Binder.

11 THE COMMISSIONER: Q. What is your
12 relations with them?

13 A. I take a little action.

14 Q. What do you mean by that?

15 A. I take a bet here and there.

16 Q. The two of you together, you mean?

17 A. I would take the bets.

18 Q. All right. What did he do, either
19 one of those gentlemen?

20 A. I was the bookmaker. I took the
21 bets.

22 Q. All right. Name those two people.

23 MR. WILSON: Samuel Binder and Joseph
24 Zeldon.

25 THE COMMISSIONER: Q. You named those
26 men. What was your relationship with them?

27 A. I was booking, gambling.

28 MR. WILSON: Maybe Zeldon was also known
29 as Schmaltzie.
30



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1 THE COMMISSIONER: Q. Is that right,
2 witness?

3 A. I don't care if you call him
4 Porkchop.

5 Q. Was he known as Schmaltzie?

6 A. I don't know. I know his name
7 was Joseph Zelden.

8 Q. You are on oath. Are you telling
9 me you don't know that he was also ---

10 A. I didn't say I don't know.

11 Q. I am asking you.

12 A. It could be. A lot of people
13 call him Schmaltzie.

14 Q. Was he known as Schmaltzie?

15 A. Yes, I guess he was known as
16 Schmaltzie.

17 Q. Don't start grinning. The grin
18 may get on the other side of your face before
19 this is over.

20 MR. WILSON: Q. Now, when, if ever, did
21 you stop bookmaking?

22 A. I got arrested. I quit then.

23 Q. When was that?

24 A. I don't know the date. You got
25 the date in front of you.

26 Q. How long ago?

27 A. I don't know.

28 Q. Is your memory so bad you don't
29 remember when you were arrested?
30



THE COURT: Now, what time was it?

A. I don't know at what time.

THE COURT: Now, what time was it?

A. I don't know. I know this man.

was Joseph Nelson.

A. You was on duty. Are you telling me you don't know what he was doing --

A. I don't say I don't know.

A. It could be. A lot of people.

with him sometimes.

A. Yes, I think he was known as

Boomerang.

A. Don't know anything. The only

way get on the other side of your face before

MR. WILSON: Now, when it came out

you was looking at

A. I got answered. I did then.

When was that?

A. I don't know the date. You got

the case in front of you.

How long ago?

A. I don't know.

A. Is your memory so bad you don't

remember when you were arrested?



1 A. I remember when I was arrested. I
2 think it was in 1960. I'm not sure thought.

3 Q. Now, during the time that you
4 were in bookkeeping ---

5 THE COMMISSIONER: Bookmaking.

6 MR. WILSON: Q. --- bookmaking, what
7 back end did you have?

8 A. Back end?

9 THE COMMISSIONER: Pardon?

10 A. What do you mean what back ends I
11 have?

12 Q. Tell Mr. Wilson how you operated
13 your bookmaking business?

14 A. I would write the sheets sometimes.

15 Q. Where?

16 A. What?

17 Q. Where?

18 A. Right at the house, at my house.

19 Q. If you didn't write them at your
20 house, where did you write them?

21 A. I didn't write them all the time.

22 Q. You said that you wrote the sheets
23 sometimes?

24 A. Myself I said sometimes.

25 Q. Sometimes at your house. Any place
26 else?

27 A. No, sir.

28 Q. Who else used to write the sheets
29 for you?
30



A. I remember when I first arrived. I

think it was in 1900. I'm not sure though.

Q. Now, during the time that you

were in the country --

Q. Did you ever see any

one of the following persons?

Q. And the first name

is --

Q. Now, did you ever see

A. That goes you mean when back then I

Q.

Q. Tell me, Wilson how you observed

Q. Now, did you ever see

A. I would write the check sometimes.

Q. Where?

A. Where?

Q. Where?

A. Right at the house, at my house.

Q. It you didn't write them at your

house, where did you write them?

A. I didn't write them all the time.

Q. You said that you wrote the checks

Q.

A. I said sometimes.

Q. Sometimes at your house. And please

Q.

A. No, sir.

Q. Who else used to write the checks

Q.



1 A. A fellow by the name of William
2 Wise. I think he wrote for three or four
3 different fellows at the same time.

4 Q. Where?

5 A. I don't know where he wrote them.

6 Q. Where did he live?

7 A. I don't know where he lived.

8 Q. How did you get in touch with him?

9 A. He would phone me and tell me
10 where he was. Then I would phone him.

11 Q. You are pledging your oath you
12 don't know where Mr. Wise lived?

13 A. That is right.

14 Q. Do you know now where he lives?

15 A. Only what I read in the newspaper.

16 Q. All right. Where does he live?

17 A. Now I don't know where he is
18 living.

19 Q. I am asking you now. Do you know
20 where he lives?

21 A. No, I don't know where he lives now.

22 Q. How long ago was he helping you
23 write the sheet?

24 A. I guess a couple of years.

25 Q. Was he helping you write them at
26 the time you were arrested?

27 A. That is right.

28 Q. Carry on, Mr. Wilson.

29 MR. WILSON: Q. What were the premises
30



Q. I believe he was in the...

Waco, I believe he was in the...

different follow to the same place.

A. I don't know where he was...

Where did he live?

A. I don't know where he lived.

How did you get in touch with him?

A. He had a phone and called me.

Where he was, then I would know him.

Q. You are predicting you could find...

don't know where Mr. White lived?

A. Yes, I think.

Q. Do you know how where he lived?

A. Only what I read in the newspaper.

Q. All right. Where does he live?

A. Now I don't know where he is.

Q. Now?

A. I am looking for him. Do you know...

Where he lived?

A. No, I don't know where he lives now.

Q. How long ago was he helping you?

Q. How long ago?

A. I guess a couple of years.

Q. Was he helping you while you were...

Q. How long ago was he helping you?

A. That is right.

Q. How long ago was he helping you?

Q. How long ago was he helping you?



1 involved in your most recent arrest and conviction
2 in 1960, you have said was the date?

3 A. What's that?

4 Q. What premises were involved in
5 your last ---

6 A. The Lakeview Club.

7 Q. And that was located where?

8 A. Eglinton and Bathurst.

9 Q. I think -- I haven't got your
10 record there. I think the date of your
11 arrest and conviction was in December, 1960.
12 Yes. Now, how long had you been operating
13 this bookmaking establishment at the Lakeview
14 Club premises prior to December, 1960?

15 A. I guess it would be about three
16 and a half years.

17 Q. Three and a half years?

18 A. I am not sure, but I think that
19 is what it would be.

20 Q. And you have already told us, I
21 think, that Samuel Binder and Joseph Zeldon
22 had some part in that operation from time
23 to time?

24 A. That is right.

25 Q. Now, weren't there some others?
26 Was there Worthy Spike Bennett involved in
27 that particular operation or one of your
28 other operations?

29 A. I don't know what you mean by one
30

D/4



involved in your most recent work and connection

In 1900, you have said that the work

A. I don't know.

What premises were involved in

Q. Now, what

A. I don't know.

Q. Now, what

A. I don't know.

Q. Now, what

record there. I think the date of your

Q. Now, what

Yes. Now, how long had you been operating

this bookmaking establishment at the University

Q. Now, what

A. I guess it would be about three

and a half years.

Q. Three and a half years?

A. I am not sure, but I think three

or more years.

Q. And you have already told me, I

think, that Samuel Bennett and Joseph Bennett

had some part in that operation from 1900

to 1905?

A. That is right.

Q. Now, what

Was there anything else Bennett involved in

that particular operation or one of your

other operations?

A. I don't know what you mean by one



1 of my other operations. What do you try to
2 make me for, a big shot?

3 Q. No, I am trying to figure out
4 what size you are. You just answer my
5 question.

6 A. If you put it to me properly, I
7 can answer that. You say one of my other
8 operations. I don't understand what you
9 are talking about.

10 Q. Was Worthy Spike Bennett involved
11 in any of your gambling operations?

12 A. You mean was Worthy Bennett ever ---

13 Q. Associated with you in any way?

14 A. Yes, he was.

15 Q. What was the association?

16 A. We would take the odd bet and he
17 quit because we couldn't make any money.

18 Q. What period are we talking about?

19 A. In the Lakeview Club. He quit
20 because he couldn't make any money.

21 Q. How long was he associated with
22 you?

23 A. I guess about a year and a half.
24 I'm not sure of the date.

25 Q. And was Joseph "The Goof" Pancer
26 ever associated with you in your gambling
27 activities?

28 A. Yes. We used to take a little
29 action.
30



of my other operations. What do you say to

Q. No, I am trying to figure out

A. If you put it in my hands, I

can answer that. You say one of the other

operations. I don't understand what you

are talking about.

in any of your banking operations

Q. Associated with you in any way?

Q. What was the association?

A. We would take the odd bet and he

didn't because we couldn't make any money.

Q. What period are we talking about?

A. In the late '40s, the date

because he couldn't make any money.

Q. How long was he associated with

A. I guess about a year and a half.

I'm not sure of the date.

Q. And was Joseph "The Hook" Brown

ever associated with you in your business?

A. Yes. We used to take a license

license.



1 Q. What period was he associated?

2 A. Maybe a couple of years.

3 Q. At what time?

4 A. I don't follow you.

5 Q. When was it, when you were at the
6 Lakeview?

7 A. That is right.

8 Q. What about Benjamin Leitman? Was
9 he associated with you?

10 A. Associated with me?

11 Q. Yes.

12 A. No, he wasn't.

13 Q. He had nothing to do with any of
14 your gambling enterprises?

15 THE COMMISSIONER: Q. Is that your
16 evidence?

17 A. That is right. I may have done --
18 I may have taken a bet with him here or there
19 but he was no partner.

20 Q. Spell his name, please.

21 MR. WILSON: Benjamin L-e-i-t-m-a-n.

22 Q. Did you ever get the odds from
23 him for your operations?

24 A. I would get the odds from anybody.

25 Q. I am asking you if you ever got
26 them from Leitman?

27 A. I may have.

28 Q. Was Fred Bis, B-i-s or B-i-s-s --
29 I don't know which way it is spelled --
30



Q. What kind of was he associated with?

A. He was a member of the...

Q. At what time?

A. I don't know.

Q. When was he, when you were at the...

A. That is right.

Q. What about her, was he related to her?

A. He was associated with her.

Q. Associated with her?

A. Yes.

Q. No, he wasn't.

A. He had nothing to do with any of...

Q. What about the...

A. I don't know.

Q. What about...

A. That is right. I may have done --

Q. I may have taken a picture with him or that...

A. I don't know.

Q. Spell his name, please.

A. Benjamin A-1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-1007-1008-1009-1010-1011-1012-1013-1014-1015-1016-1017-1018-1019-1020-1021-1022-1023-1024-1025-1026-1027-1028-1029-1030-1031-1032-1033-1034-1035-1036-1037-1038-1039-1040-1041-1042-1043-1044-1045-1046-1047-1048-1049-1050-1051-1052-1053-1054-1055-1056-1057-1058-1059-1060-1061-1062-1063-1064-1065-1066-1067-1068-1069-1070-1071-1072-1073-1074-1075-1076-1077-1078-1079-1080-1081-1082-1083-1084-1085-1086-1087-1088-1089-1090-1091-1092-1093-1094-1095-1096-1097-1098-1099-1100-1101-1102-1103-1104-1105-1106-1107-1108-1109-1110-1111-1112-1113-1114-1115-1116-1117-1118-1119-1120-1121-1122-1123-1124-1125-1126-1127-1128-1129-1130-1131-1132-1133-1134-1135-1136-1137-1138-1139-1140-1141-1142-1143-1144-1145-1146-1147-1148-1149-1150-1151-1152-1153-1154-1155-1156-1157-1158-1159-1160-1161-1162-1163-1164-1165-1166-1167-1168-1169-1170-1171-1172-1173-1174-1175-1176-1177-1178-1179-1180-1181-1182-1183-1184-1185-1186-1187-1188-1189-1190-1191-1192-1193-1194-1195-1196-1197-1198-1199-1200-1201-1202-1203-1204-1205-1206-1207-1208-1209-1210-1211-1212-1213-1214-1215-1216-1217-1218-1219-1220-1221-1222-1223-1224-1225-1226-1227-1228-1229-1230-1231-1232-1233-1234-1235-1236-1237-1238-1239-1240-1241-1242-1243-1244-1245-1246-1247-1248-1249-1250-1251-1252-1253-1254-1255-1256-1257-1258-1259-1260-1261-1262-1263-1264-1265-1266-1267-1268-1269-1270-1271-1272-1273-1274-1275-1276-1277-1278-1279-1280-1281-1282-1283-1284-1285-1286-1287-1288-1289-1290-1291-1292-1293-1294-1295-1296-1297-1298-1299-1300-1301-1302-1303-1304-1305-1306-1307-1308-1309-1310-1311-1312-1313-1314-1315-1316-1317-1318-1319-1320-1321-1322-1323-1324-1325-1326-1327-1328-1329-1330-1331-1332-1333-1334-1335-1336-1337-1338-1339-1340-1341-1342-1343-1344-1345-1346-1347-1348-1349-1350-1351-1352-1353-1354-1355-1356-1357-1358-1359-1360-1361-1362-1363-1364-1365-1366-1367-1368-1369-1370-1371-1372-1373-1374-1375-1376-1377-1378-1379-1380-1381-1382-1383-1384-1385-1386-1387-1388-1389-1390-1391-1392-1393-1394-1395-1396-1397-1398-1399-1400-1401-1402-1403-1404-1405-1406-1407-1408-1409-1410-1411-1412-1413-1414-1415-1416-1417-1418-1419-1420-1421-1422-1423-1424-1425-1426-1427-1428-1429-1430-1431-1432-1433-1434-1435-1436-1437-1438-1439-1440-1441-1442-1443-1444-1445-1446-1447-1448-1449-1450-1451-1452-1453-1454-1455-1456-1457-1458-1459-1460-1461-1462-1463-1464-1465-1466-1467-1468-1469-1470-1471-1472-1473-1474-1475-1476-1477-1478-1479-1480-1481-1482-1483-1484-1485-1486-1487-1488-1489-1490-1491-1492-1493-1494-1495-1496-1497-1498-1499-1500-1501-1502-1503-1504-1505-1506-1507-1508-1509-1510-1511-1512-1513-1514-1515-1516-1517-1518-1519-1520-1521-1522-1523-1524-1525-1526-1527-1528-1529-1530-1531-1532-1533-1534-1535-1536-1537-1538-1539-1540-1541-1542-1543-1544-1545-1546-1547-1548-1549-1550-1551-1552-1553-1554-1555-1556-1557-1558-1559-1560-1561-1562-1563-1564-1565-1566-1567-1568-1569-1570-1571-1572-1573-1574-1575-1576-1577-1578-1579-1580-1581-1582-1583-1584-1585-1586-1587-1588-1589-1590-1591-1592-1593-1594-1595-1596-1597-1598-1599-1600-1601-1602-1603-1604-1605-1606-1607-1608-1609-1610-1611-1612-1613-1614-1615-1616-1617-1618-1619-1620-1621-1622-1623-1624-1625-1626-1627-1628-1629-1630-1631-1632-1633-1634-1635-1636-1637-1638-1639-1640-1641-1642-1643-1644-1645-1646-1647-1648-1649-1650-1651-1652-1653-1654-1655-1656-1657-1658-1659-1660-1661-1662-1663-1664-1665-1666-1667-1668-1669-1670-1671-1672-1673-1674-1675-1676-1677-1678-1679-1680-1681-1682-1683-1684-1685-1686-1687-1688-1689-1690-1691-1692-1693-1694-1695-1696-1697-1698-1699-1700-1701-1702-1703-1704-1705-1706-1707-1708-1709-1710-1711-1712-1713-1714-1715-1716-1717-1718-1719-1720-1721-1722-1723-1724-1725-1726-1727-1728-1729-1730-1731-1732-1733-1734-1735-1736-1737-1738-1739-1740-1741-1742-1743-1744-1745-1746-1747-1748-1749-1750-1751-1752-1753-1754-1755-1756-1757-1758-1759-1760-1761-1762-1763-1764-1765-1766-1767-1768-1769-1770-1771-1772-1773-1774-1775-1776-1777-1778-1779-1780-1781-1782-1783-1784-1785-1786-1787-1788-1789-1790-1791-1792-1793-1794-1795-1796-1797-1798-1799-1800-1801-1802-1803-1804-1805-1806-1807-1808-1809-1810-1811-1812-1813-1814-1815-1816-1817-1818-1819-1820-1821-1822-1823-1824-1825-1826-1827-1828-1829-1830-1831-1832-1833-1834-1835-1836-1837-1838-1839-1840-1841-1842-1843-1844-1845-1846-1847-1848-1849-1850-1851-1852-1853-1854-1855-1856-1857-1858-1859-1860-1861-1862-1863-1864-1865-1866-1867-1868-1869-1870-1871-1872-1873-1874-1875-1876-1877-1878-1879-1880-1881-1882-1883-1884-1885-1886-1887-1888-1889-1890-1891-1892-1893-1894-1895-1896-1897-1898-1899-1900-1901-1902-1903-1904-1905-1906-1907-1908-1909-1910-1911-1912-1913-1914-1915-1916-1917-1918-1919-1920-1921-1922-1923-1924-1925-1926-1927-1928-1929-1930-1931-1932-1933-1934-1935-1936-1937-1938-1939-1940-1941-1942-1943-1944-1945-1946-1947-1948-1949-1950-1951-1952-1953-1954-1955-1956-1957-1958-1959-1960-1961-1962-1963-1964-1965-1966-1967-1968-1969-1970-1971-1972-1973-1974-1975-1976-1977-1978-1979-1980-1981-1982-1983-1984-1985-1986-1987-1988-1989-1990-1991-1992-1993-1994-1995-1996-1997-1998-1999-2000-2001-2002-2003-2004-2005-2006-2007-2008-2009-2010-2011-2012-2013-2014-2015-2016-2017-2018-2019-2020-2021-2022-2023-2024-2025-2026-2027-2028-2029-2030-2031-2032-2033-2034-2035-2036-2037-2038-2039-2040-2041-2042-2043-2044-2045-2046-2047-2048-2049-2050-2051-2052-2053-2054-2055-2056-2057-2058-2059-2060-2061-2062-2063-2064-2065-2066-2067-2068-2069-2070-2071-2072-2073-2074-2075-2076-2077-2078-2079-2080-2081-2082-2083-2084-2085-2086-2087-2088-2089-2090-2091-2092-2093-2094-2095-2096-2097-2098-2099-2100-2101-2102-2103-2104-2105-2106-2107-2108-2109-2110-2111-2112-2113-2114-2115-2116-2117-2118-2119-2120-2121-2122-2123-2124-2125-2126-2127-2128-2129-2130-2131-2132-2133-2134-2135-2136-2137-2138-2139-2140-2141-2142-2143-2144-2145-2146-2147-2148-2149-2150-2151-2152-2153-2154-2155-2156-2157-2158-2159-2160-2161-2162-2163-2164-2165-2166-2167-2168-2169-2170-2171-2172-2173-2174-2175-2176-2177-2178-2179-2180-2181-2182-2183-2184-2185-2186-2187-2188-2189-2190-2191-2192-2193-2194-2195-2196-2197-2198-2199-2200-2201-2202-2203-2204-2205-2206-2207-2208-2209-2210-2211-2212-2213-2214-2215-2216-2217-2218-2219-2220-2221-2222-2223-2224-2225-2226-2227-2228-2229-2230-2231-2232-2233-2234-2235-2236-2237-2238-2239-2240-2241-2242-2243-2244-2245-2246-2247-2248-2249-2250-2251-2252-2253-2254-2255-2256-2257-2258-2259-2260-2261-2262-2263-2264-2265-2266-2267-2268-2269-2270-2271-2272-2273-2274-2275-2276-2277-2278-2279-2280-2281-2282-2283-2284-2285-2286-2287-2288-2289-2290-2291-2292-2293-2294-2295-2296-2297-2298-2299-2300-2301-2302-2303-2304-2305-2306-2307-2308-2309-2310-2311-2312-2313-2314-2315-2316-2317-2318-2319-2320-2321-2322-2323-2324-2325-2326-2327-2328-2329-2330-2331-2332-2333-2334-2335-2336-2337-2338-2339-2340-2341-2342-2343-2344-2345-2346-2347-2348-2349-2350-2351-2352-2353-2354-2355-2356-2357-2358-2359-2360-2361-2362-2363-2364-2365-2366-2367-2368-2369-2370-2371-2372-2373-2374-2375-2376-2377-2378-2379-2380-2381-2382-2383-2384-2385-2386-2387-2388-2389-2390-2391-2392-2393-2394-2395-2396-2397-2398-2399-2400-2401-2402-2403-2404-2405-2406-2407-2408-2409-2410-2411-2412-2413-2414-2415-2416-2417-2418-2419-2420-2421-2422-2423-2424-2425-2426-2427-2428-2429-2430-2431-2432-2433-2434-2435-2436-2437-2438-2439-2440-2441-2442-2443-2444-2445-2446-2447-2448-2449-2450-2451-2452-2453-2454-2455-2456-2457-2458-2459-2460-2461-2462-2463-2464-2465-2466-2467-2468-2469-2470-2471-2472-2473-2474-2475-2476-2477-2478-2479-2480-2481-2482-2483-2484-2485-2486-2487-2488-2489-2490-2491-2492-2493-2494-2495-2496-2497-2498-2499-2500-2501-2502-2503-2504-2505-2506-2507-2508-2509-2510-2511-2512-2513-2514-2515-2516-2517-2518-2519-2520-2521-2522-2523-2524-2525-2526-2527-2528-2529-2530-2531-2532-2533-253



1 associated with you in any of your gambling
2 operations?

3 A. I don't remember if Fred Bis --
4 I don't remember.

5 THE COMMISSIONER: Q. Do you know a man
6 by that name?

7 A. Yes.

8 MR. WILSON: Q. Now, you speak of William
9 Wise as being one of the persons whom you used
10 as a back end?

11 A. Yes.

12 Q. And when a search was made of
13 his premises, betting sheets were found in
14 the apartment which indicated that the amount
15 of bets which he handled for your operation
16 at the Lakeview averaged about \$37,000 a day?

17 A. I know they owed the finance
18 company money. I know that.

19 Q. Would that be a fair average of
20 what your take was at the Lakeview?

21 A. Thirty-seven thousand?

22 Q. Yes.

23 A. I think they are away out of line.

24 Q. What would you say?

25 A. Give me the sheets. I will add
26 them up and tell you.

27 Q. You don't need any sheets to be
28 added up. You tell us what the average
29 receipts were each day, your gross receipts?
30



associated with you in any of your handling

any other way

A. I don't know of any other way

I don't know of any other way

THE COMMISSIONER: Q. Do you know a man

by that name?

A. Yes.

MR. WATSON: Q. Now, you speak of a man

Wine as being one of the persons whom you used

as a back end?

A. Yes.

Q. And you speak of a man

his presence, betting sheets were found in

the apartment which indicated that the person

he was found in the apartment was a

of the apartment averaged about \$1,000 a day?

A. I know they owed the money

company money. I know that.

Q. Would that be a fair average of

the amount of money that was

A. I don't know of any other way

Q. Yes.

A. I think they are away out of town.

Q. When would you say?

A. Give me the sheets. I will tell

them up and tell you.

Q. You don't need any sheets to do

about up. You tell me what the average

receipts were each day, your gross receipts?



1 A. It varies. There is no such thing
2 as -- you haven't got Loblaw's or the Dominion
3 Store where you can figure it out. In the
4 World Series there would be a lot of action.

5 Q. What was the average over the
6 years, daily?

7 A. I haven't got a clue.

8 Q. Well, was it over ten thousand a
9 day, under ---

10 A. Yes, I would say it's over ten
11 thousand a day.

12 Q. Your memory fails you when you
13 get beyond ten thousand a day, does it? Maybe
14 that doctor is right. Now,----

15 THE COMMISSIONER: So we have it from
16 you the average amount was over ten thousand
17 a day.

18 MR. WILSON: Yes. Well, it is 1.00 o'clock,
19 Mr. Commissioner.

20 THE COMMISSIONER: We will adjourn until
21 2.15. Be back here then.

22
23 ---Whereupon the hearing adjourned at 1.00 p.m.
24 until 2.15 p.m.

25
26
27
28
29
30



A. The answer is: There is no such thing.

Q -- You haven't got a clue as to the Commission.

A. There were two or three in it. In the

World War there would be a lot of people.

A. That was the average over the

years.

A. I haven't got a clue.

Q. Well, was it over ten thousand a

day?

A. Yes, I would say it's over ten

thousand a day.

A. You would think you would be

not beyond ten thousand a day, does it?

A. That doesn't seem right. Now,---

THE COMMISSIONER: So we haven't got

you the average amount was over ten thousand

a day.

MR. WILSON: Yes, well, it is 1.00 million.

MR. COMMISSIONER.

THE COMMISSIONER: No, well, it's 1.00 million.

MR. WILSON: Be back here then.

--- the meeting adjourned at 1.00 p.m.

Meeting 1.15 p.m.



AA/1/WR

1 ---On resuming at 2:30 o'clock p.m.

2 ---Witness resumes the stand.

3
4 MR. WILSON: Q. Have you heard of a
5 speech given by Mr. Wintermeyer on November
6 29th, 1961, in the Legislature?

7 A. I have heard of it but I don't
8 know if I know it.

9 Q. Well, at page 94 of that speech
10 he had something to say about you. It is
11 the first paragraph starting on the left hand
12 column.

13 THE COMMISSIONER: What exhibit?

14 MR. WILSON: Exhibit 3.

15 Q. Page 94:

16 " In every case the organization
17 "involved has been convicted or
18 "suspected by the police of illegal
19 "gambling and I would point out to
20 "the House that it is well established
21 "are
22 "that these persons have frequently
23 "just the fronts for the big-time
24 "gamblers. Max Bluestein, for
25 "example, was convicted of keeping
26 "at the Lakeview Club in Toronto but
27 "his name appears nowhere in the
28 "Provincial Secretary's file on that
29 "club."

30 I think you told us you did book there
for some years? I think it was around 1957



10/10/10

Q. Have you heard of a
 A. I have heard of it but I don't
 Q. Well, at page 94 of your report
 A. I have something to say about you. It is
 the first paragraph starting on the left hand
 side.
 Q. The first paragraph of the report
 A. I don't know.
 Q. Is that the first paragraph
 A. Involved has been convicted on
 "suspected by the police of illegal
 gambling and I would point out that
 the fact that it is well established
 that these persons have frequently
 "lost the fronts for the big-time
 gamblers. Max Rosenberg, for
 example, was convicted of keeping
 "at the Lakewood Club in Toronto and
 "has been a police nominee in the
 "Provincial Assembly in 1910 on that
 "claim."
 I think you told us you did book these
 for some reason. I think it was around 1910



1 to the time of your conviction in 1960. Is
2 it a fact that you had no connection whatsoever
3 with the club itself?

4 A. I had nothing to do with the club.

5 Q. Did you pay them rent for the
6 privilege of carrying on your book there?

7 Why would I pay them rent?

8 A. ~~There was no rent paid to them.~~

9 Q. Did you?

10 A. No, I didn't.

11 Q. Were they aware of your operation?

12 A. They had a club. I would go in
13 and use the phone.

14 Q. You had the club.

15 A. I never had any club. I could
16 go into the Granite Club and book in there.

17 THE COMMISSIONER: Q. They would
18 throw you out.

19 A. If they knew I was booking they
20 would.

21 Q. Are you suggesting no one at
22 the Lakeview Club knew you were booking?

23 MR. WILSON: Q. What arrangements did
24 you make with the club for the use you made
25 of the telephone; for that purpose?

26 A. I never made no arrangements.

27 Q. Who was the official of the club
28 that you dealt with during the period you
29 were booking there?

30 A. I had nothing to do with the running



to the state of your conviction in 1930, is
 as a fact that you had no conversation with
 with the club itself?

A. I had nothing to do with her at all.

Q. Did you pay them rent for the

anytime in 1930 or 1931?
 Why would I pay them rent?
 I never paid them anything.

Q. Did you?

A. No, I didn't.

Q. What was your relationship with them?

A. They had a club. I would go in

and see the women.

Q. You had the club.

A. I never had any club. I could

go into the Granite Club and look in there.

THE COMMISSIONER: Q. They would

throw you out.

A. It they knew I was looking they

would.

Q. Are you suggesting no one at

the Lakewood Club knew you were looking?

MR. WILSON: Q. What arrangements did

you make with the club for the use you made

of the telephone; for that purpose?

A. I never made no arrangements.

Q. Who was the official of the club

that you dealt with during the period you

were looking for them?

A. I had nothing to do with the matter.



1 of the club.

2 Q. I said, who were the officers
3 of the club during the period you booked there?

4 A. Bänder and Zeldon.

5 Q. Bänder and Zeldon are two people
6 who you say were associated with you in your
7 bookmaking operation during that time?

8 A. Yes, but the members didn't know
9 what was going on.

10 THE COMMISSIONER: Q. You were not
11 asked that, just answer the question. Put it
12 to him again.

13 MR. WILSON: Q. I said, Bänder and
14 Zeldon are two people who you say were associated
15 with you in your bookmaking operation during
16 that time at the Lakeview Club?

17 A. That's right.

18 Q. And they were charged along with
19 you as a result of that operation and convicted
20 as well as yourself?

21 A. That's right.

22 Q. Now, are you saying you had no
23 whatsoever
24 arrangement with the Zeldon and Bender - as
25 officers of that club - as to how the expenses
26 of the club would be borne?

27 A. I never had nothing to do with
28 that.

29 Q. Did you pay any money towards
30 expenses for the operation of the club?



of the club.

Q. I said, who were the officers?

of the club during the period you looked after?

A. Borden and Nelson.

Q. Borden and Nelson and two people

who you say were associated with you in your

business?

A. Yes, but the members didn't know

any of them.

Q. The members of the club?

asked that, just answer the question. Did it

or not?

Q. Yes, I said, Borden and

Nelson and two people who you say were associated

with you in your business?

that time at the Lakewood Club?

A. That's right.

Q. And they were charged along with

you as a result of that operation and convicted

as well as yourselves?

A. That's right.

Q. Now, are you saying you had no

arrangement with the Nelson and Borden - as

members of that club - as to how the expenses

of the club would be borne?

A. I never had nothing to do with

that.

Q. Did you pay any money towards

expenses for the operation of the club?



1 A. Expenses - I don't follow you.

2 THE COMMISSIONER: Q. What is so
3 difficult about that question?

4 A. Did I give the club any money?

5 THE COMMISSIONER: Put the question to
6 him again. Have the Reporter read it to him.

7 THE REPORTER: "Q. Did you pay any
8 "money towards the expenses for the
9 "operation of the club?"

10 A. I guess I would subsidize him a
11 little bit.

12 Q. You guess you did?

13 A. Yes.

14 Q. Go on and tell me about that.
15 Tell me all you know about it.

16 A. There was a club there and if
17 they were short of money I would give them some
18 money.

19 Q. Who did you give it to?

20 A. I'd give it to Binder.

21 Q. Cash or cheque?

22 A. By cash.

23 Q. Regularly?

24 A. I don't know what you mean by
25 regularly.

26 Q. Don't you know the meaning of
27 the word "regularly"?

28 A. The way you put it it means it
29 would be every day.
30



A. Remember - I don't follow you.

THE COMMISSIONER: Q. What is so

difficult about that question?

A. Did I give the club any money?

THE COMMISSIONER: Put the question to

the witness. What was the question that he put?

THE REPORTER: "Q. Did you pay any

money to the club?"

THE COMMISSIONER: "Q. Did you pay any

A. I know I would subscribe him a

membership.

Q. You gave you did?

A. Yes.

Q. Go on and tell me about that.

Tell me all you know about it.

A. There was a club there and it

they were short of money I would give them some

money.

Q. Who did you give it to?

A. I'd give it to Bender.

Q. Cash or check?

A. By cash.

Q. Regularly?

A. I don't know what you mean by

regularly.

Q. Don't you know the meaning of

the word "regularly"?

A. The way you put it it means it

would be done every



1 Q. Not every day but at specified
2 intervals.

3 A. If they needed money and they
4 were short I'd give them a bit.

5 Q. If who was short?

6 A. The club was short, to pay the rent
7 or something. They can get the rent from
8 the card money but if they were short I
9 would give them some money.

10 Q. Did you give them money from time
11 to time?

12 A. Occasionally.

13 Q. Have you any idea how much in all
14 you paid?

15 A. It wouldn't be so much; it wouldn't
16 be much.

17 Q. How much is it?

18 A. It could be about \$200 a month,
19 I guess.

20 Q. About \$200 a month. Always to
21 Binder?

22 A. That's right.

23 Q. Never to Zeldon?

24 A. Your lordship, I give it to Binder.

25 Q. Never to Zeldon?

26 A. I don't recollect ever giving it
27 to Zeldon.

28 THE COMMISSIONER: All right.

29 MR. WILSON: Q. Now, while you were
30



Q. Was every day at a collection?

INTERVIEW.

A. If they needed money and they

were short I'd give them a hand.

Q. If you had money?

A. The only way there, to pay the rent

on the house, that was the only way.

the cash money and if they were short I

would give them some money.

Q. Had you give them money from time

to time?

A. Sometimes.

Q. Have you any idea how much in all

you gave?

A. It wouldn't be so much; it wouldn't

be much.

Q. How much is it?

A. It could be about \$200 a month.

Q. I guess.

Q. About \$200 a month. Always so

steady?

A. That's right.

Q. Never to Nelson?

A. Your friendship, I give to Thinner.

Q. Never to Nelson?

A. I don't remember ever giving to

no Nelson.

THE COMMISSIONER: All right.

MR. NELSON: Q. Now, while you were



1 awaiting trial in respect to the charges against
2 you for the operation of a common gaming
3 house at the Lakeview Club, did you authorize
4 your lawyer to make a proposal to Henry Bull,
5 the Crown Attorney for the City of Toronto,
6 that you would surrender three club charters?

7 A. I don't know what you are talking
8 about.

9 Q. Do you deny that?

10 A. I don't remember ever telling
11 any lawyer I would ever give them nothing.

12 Q. Who acted for you in your defence
13 for the charges out of which you were convicted
14 on December 14th, 1960?

15 A. Charlie Dubin. Excuse me, I
16 should say Arthur Martin.

17 Q. Who was it, both?

18 A. No, I believe it's Mr. Martin.

19 THE COMMISSIONER: Q. Is there any
20 doubt about it?

21 A. No, it was Arthur Martin defended
22 me.

23 Q. Why did you say Charlie Dubin
24 a moment ago?

25 A. What's that?

26 Q. Did you not hear me?

27 A. Yes. Charlie Dubin defended
28 Bender and Zeldon.

29 Q. And Arthur Martin defended you,
30



existing trial in regard to the charges against

you for the operation of a common gaming

house at the Lakeside Club, and you introduced

your lawyer to make a proposal to Henry Hill,

the Crown Attorney for the City of Toronto,

that you would withdraw three club members

A. I don't know what you are talking

about.

Q. Now you say that

A. I don't know what you are talking

any lawyer I would ever give them nothing.

Q. Who acted for you in your defense

for the charges out of which you were convicted

on December 1st, 1930?

A. I don't know.

Q. Now you say that

Q. Who was it, Henry?

A. No, I believe it's Mr. Martin.

THE COURT: Q. Is there any

other name?

A. No, it was Arthur Martin according

to

Q. Why did you say Charles Martin

is a name?

A. What's that?

Q. Did you not hear that?

A. I don't know what you are talking

about and I don't

Q. And Arthur Martin defended you,



AA/2

1 is that what you say?

2 A. That's right.

3 THE COMMISSIONER: Go ahead.

4 MR. WILSON: Q. Are you familiar with
5 the Ringside Club?

6 A. Yes, I am.

7 Q. You carry on any of your operations
8 there?

9 A. Yes, I did.

10 Q. What kind of operation did you
11 carry on there?

12 A. Enough to lose my money and quit.

13 Q. What kind of an operation was it?

14 A. I was bookmaking there.

15 Q. Where is it located?

16 A. Brunswick and College.

17 Q. Are you familiar with the Queen
18 City Club?

19 A. I don't know about the Queen City.

20 Q. You say you don't know that club?

21 A. I know if it but I don't think
22 there ever was an operation at the Queen City
23 Club.

24 Q. Now, did you instruct any lawyer
25 or any person to say to Mr. Henry Bull prior
26 to your trial on the Lakeview charges that
27 you would arrange for the surrender of the
28 charters of the Ringside and Queen City Clubs?

29 A. No, I never told no lawyer nothing
30



185 I, no?

.DND I ,30Y .A

• And the money we got of them

100-443887-100



1 like that. I told nothing.

2 THE COMMISSIONER: Q. If they
3 suggested it to the Crown Attorney, you would,
4 they did it without any instructions from you?

5 A. I don't know anything about it.
6 The first I heard of it is what I hear now.

7 Q. Did you have the charter for
8 the Ringside Club?

9 A. No, I didn't have the charter.

10 Q. Who did?

11 A. I don't know who's got the charter.

12 Q. It was operated on Brunswick
13 and College? That is where they operated?

14 A. That's years ago. They went
15 out of business.

16 Q. That is years ago?

17 A. That's right.

18 Q. Who was in charge there?

19 A. I was.

20 Q. Anybody else?

21 A. No, I was the boss there.

22 THE COMMISSIONER: Q. All right. Was
23 there a charter?

24 Mr. Wilson, was there a charter there?

25 MR. WILSON: Q. There was a charter there,
26 wasn't there?

27 A. That's right; the Ringside Club.

28 Q. Did your name appear anywhere
29 as an officer of that club?
30



Q. Now, I am going to ask you a question.

A. Yes, I am.

Q. Now, I am going to ask you a question.

A. They did it without any intention from me.

Q. I don't know anything about it.

A. The first I heard of it is when I heard now.

Q. And you have the charter for

the business?

A. No, I didn't have the charter.

Q. Who did?

A. I don't know who's got the charter.

Q. It was operated on Manhattan

and College? That is where they operated?

A. Thirty years ago. They went

out of business.

Q. That is years ago?

A. That's right.

Q. And was in charge then?

A. I was.

Q. Anybody else?

A. No, I was the boss there.

THE COMMISSIONER: All right. Was

that a charter?

A. Yes, it was a charter.

MR. WILSON: There was a charter then.

Wasn't there?

A. That's right; the Atlantic City.

Q. And you have spent anywhere

in the business?



1 A. Did my name ever appear?

2 THE COMMISSIONER: Q. What arrangement
3 did you have with the club to carry on your
4 bookmaking operations there?

5 A. The same as I had at the Lakeview
6 Club.

7 Q. You paid them so much a month?

8 A. That's right.

9 Q. How much?

10 A. I guess there would be about \$100
11 a month, maybe less.

12 Q. I don't want to leave it as
13 indefinite as that.

14 A. Well, it's years ago and the
15 club is closed up. They never got arrested,
16 they just closed up.

17 Q. You paid about \$100 a month? Who
18 did you pay?

19 A. I give it to the landlord.
20 I used to pay the rent if they were short of
21 money and I would pay it.

22 Q. And it was \$100 a month that you
23 paid?

24 A. Roughly.

25 Q. Who was the landlord?

26 A. Mr. Smith.

27 Q. Where did he live?

28 A. He lived on top of the club.

29 Q. How long did you operate there?
30



A. Did my name ever appear?

Q. Did you have with the club to carry on your

business, carrying on there?

A. The name as I had as a member.

Q. You paid them as much a month?

A. That's right.

A. I guess there would be about \$100

Q. I don't want to leave it as

indifference as that.

A. Well, it's years ago and the

club is closed up. They never got arrested.

Q. You paid about \$100 a month, was

did you own?

A. I give it to the landlord.

Q. I need to pay the rent if they want shut off

money and I would pay it.

Q. And it was \$100 a month and you

paid?

Q. Who was the landlord?

A. Mr. Smith.

A. He lived on top of the club.

Q. How long did you operate under?



1 A. I guess about four years. We
2 couldn't do no good and we closed it up.

3 Q. How long in all did you operate
4 the Lakeview Club?

5 A. I think I said three years or
6 three and a half years, I'm not sure.

7 Q. Well, make it three and a half,
8 four years, at the Lakeside Club, that is seven
9 and a half years. What other places did you
10 operate?

11 A. That was it.

12 Q. No other places, you swear?

13 A. You mean clubs?

14 Q. Any place where you carried on
15 your booking operation.

16 A. I could book bets outside here.

17 Q. You could, but don't.

18 A. No, but I could walk anywhere and
19 take action.

20 Q. Sort of roaming around the city
21 picking up bets?

22 A. Well, they phone me at home.

23 Q. Any other places where you
24 carried on your operations besides the Ringside
25 Club? Did you carry on at the Queen City Club?

26 A. I never knew there was a club
27 by that name.

28 Q. You never carried on there?

29 A. The Queen City Club?



A. I know about your name.

couldn't do no good and no closer to up.

Q. How long in all did you operate?

A. About three years.

A. I think I said three years or

three and a half years, I'm not sure.

Q. Well, make it three and a half,

four years, at the Interstate Club, that is seven

and a half years. What other places did you

A. That was it.

Q. No other places, you mean?

A. No other places.

Q. Any place where you carried on

A. No other places.

A. I could look back outside here.

A. No other places.

A. No, but I could walk anywhere and

take action.

Q. Sort of roaming around the city?

A. Looking up here?

A. Well, they phone me at home.

Q. Any other places where you

carried on your operations besides the Interstate

Club? Did you carry on at the Green City Club?

A. I never knew there was a club

by that name.

A. You never carried on there?

A. The Green City Club?



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Q. Yes.

A. No, not me.

Q. And you operated from your home -
any place else?

A. I guess if I was downtown I
would take some bets.

Q. Any other place where you had
a so-called headquarters?

A. We had a store on Queen Street
and I booked bets on Queen Street.

Q. Where was that?

A. Before I got ill; before 1949.

Q. Again, please.

A. Before.

Q. Where on Queen Street?

A. Near Yolles Furniture.

Q. On the north or south side?

A. On the south side.

Q. Do you know the number?

A. No, sir.

Q. What sort of premises was it?

A. We had a little store there where
we took some action.

Q. You had a little store there?

A. That's right, a novelty store.

MR. WILSON: Q. Sam Wills was making
book there for you?

A. I done business with a man by
the name of Skeezix. Wells would come there



Q. Yes.

A. And you operated from 1911 to 1912?

A. I guess it was downtown I

Q. And I believe that on Green Street.

A. Where was that?

A. Where I got my first business.

A. Before.

A. Where on Green Street?

A. Near Yellow Springs.

A. On the north or south side?

A. On the north side.

Q. Do you know the name?

A. Yes.

Q. What sort of business was it?

A. We had a little store there where

we took some notion.

Q. You had a little store there?

A. That's right, a novelty store.

MR. WILSON: A. Was there any more?

Book there for you.

A. I done business with a man by

The name of Skelton. Well, would come there



1 occasionally. His last name was O'Brien.

2 THE COMMISSIONER: Q. What kind of
3 business did you do with him?

4 A. We were booking.

5 Q. He was an associate of yours
6 booking at this particular address?

7 A. We booked down the street.

8 Q. No, at that particular place?

9 A. Most of our action was taken on
10 the street. You couldn't book in the store
11 because the police would come in all the time.
12 We were sneaking.

13 Q. What?

14 A. Sneaking.

15 Q. Tell me about Skeezi.

16 A. Everybody knows Skeezi O'Brien.

17 Q. Well, I don't.

18 A. He was on Queen Street for about
19 twenty years.

20 Q. What was the name of the novelty
21 store?

22 A. We never had no name.

23 Q. Who paid the rent?

24 A. I paid the rent.

25 Q. What did Skeezi O'Brien do?

26 A. I don't know; I left Queen Street
27 in 1949 and I haven't saw him since. I haven't
28 been back to Queen Street.

29 Q. What was he doing while you were
30



occasionally. In fact we was a little.

THE COMMISSIONER: A. What kind of

A. He were looking.

A. He was an associate of yours.

A. No, at that particular place.

A. Most of our action was taken on

the street. For certain's look in the street

because the police would come in all the time.

A. Why?

A. Because.

A. That is what I mean.

A. That is what I mean.

A. Well, I don't.

A. It was in fact, during the time.

THE COMMISSIONER:

A. What was the name of the novelty?

A. He never had no name.

A. Who paid the money?

A. I paid the money.

A. What did you mean by that?

A. I don't know; I left Green Street

in 1909 and I haven't seen him since. I haven't

been back to Green Street.

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1 there?

2 A. He was doing the same thing.

3 Q. Booking?

4 A. That's right.

5 Q. And sharing the proceeds?

6 A. That's right.

7 Q. Now, we have the Ringside Club.

8 MR. WILSON: The question I want to
9 direct to the witness on the Ringside is
10 this:

11 Q. Joe Zeldon is listed as president.
12 Was he your nominee?

13 A. No, they were going to get a
14 liquor licence for the club. He was no
15 nominee of mine. He was going to get a liquor
16 licence for the club and I said, "Go ahead
17 and get it". He couldn't get it.

18 Q. Nesky was the vice-president,
19 was he your nominee?

20 A. There's no such thing as a nominee.
21 A fellow is on the charter and it has nothing
22 to do with me.

23 Q. Who made the charter available
24 to you for the Lakeside location?

25 A. I don't remember nothing about it.

26 Q. You swear that?

27 A. I don't remember nothing about it.
28 It's a long time ago.

29 THE COMMISSIONER: Q. "We had a charter",
30



1 who is "we"?

2 A. I was running -- we were going
3 to have a boxing club.

4 Q. We will come to that.

5 A. Get into Maple Leaf Gardens or
6 some place.

7 Q. Do not be disappointed, we will
8 come to that later. Who had the charter? You
9 say "we had the charter"; who had the charter?

10 A. Me.

11 Q. Who was the other with you?

12 A. Myself.

13 Q. Where did you get it? Don't tell
14 me you don't remember that.

15 A. I do remember that, I got it
16 from Nannie Stone.

17 Q. How much did you pay him for it?

18 A. I didn't give him nothing. I
19 told him if we got lucky with it I will give
20 him something. We were going to run fights.

21 Q. He handed the physical possession
22 over to you, did he?

23 A. Oh, as far as I remember.

24 Q. Then what did you do with it
25 after you got it?

26 A. We run some fights.

27 Q. What did you do with the charter?
28 You had physical possession of the charter?
29 You had it in your hands or in some drawer or
30



Q. Who is "Daddy"?

A. I was running -- we were going

to have a boxing club.

Q. We will come to that.

A. Get into people's back gardens and

steal things.

Q. Do not be disappointed, we will

come to that later. Who had the character? Don

say "we had the character"; who had the character?

A. No.

Q. Who was the other with you?

A. Myself.

Q. Where did you get it? Don't tell

me you don't remember that.

A. I do remember that, I got it

from the house.

Q. How much did you pay him for it?

A. I didn't give him nothing. I

told him if he got lucky with it I will give

him something. He was going to run a light.

Q. He wanted the physical possession

over to you, did he?

A. Oh, as far as I remember.

Q. Then what did you do with it

after you got it?

A. We ran some lights.

Q. What did you do with the character?

You had physical possession of the character?

You had it in your hands on the same day?



1 wherever you kept it.

2 A. We used it.

3 Q. Have you still got it?

4 A. I got no charter.

5 Q. What did you do with it?

6 A. I signed off, I quit.

7 Q. Who did you pass it over to?

8 A. I think Zeldon took it over.

9 He said he was going to get a liquor licence
10 and he couldn't get no liquor licence.

11 Q. How much did Zeldon pay you for
12 it?

13 A. Nothing. If he had got lucky
14 with it he would have give me something.

15 MR. WILSON: Q. What lawyer acted for
16 you when you took over the charter?

17 A. I don't know.

18 Q. Well, listen to the question.
19 When you took over the charter of the Ringside
20 from Stone, what lawyer acted for you?

21 A. I don't remember.

22 THE COMMISSIONER: Q. Have you had
23 many lawyers acting for you from time to time?

24 A. I never had the same lawyer,
25 I don't think actually, at any time.

26 Q. Can you help us at all by
27 suggesting who the lawyer might have been?

28 A. I don't remember. I never had no
29 such lawyer. I never need any lawyer till I got
30



wherever you find it.

A. We need it.

Q. What did you do with it?

A. I got no answer.

Q. What did you do with it?

A. I signed it, I said.

Q. Who did you give it over to?

A. I think Nelson took it over.

He said he was going to get a license license

and he couldn't get no license license.

Q. How much did Nelson pay you for

let

A. Nothing. If he had got

with it he would have give me something.

Q. What lawyer asked for

you to get that over the license?

A. I don't know.

Q. Well, listen to the question.

When you took over the license of the license

from Boone, what lawyer asked for you?

A. I don't remember.

Q. Have you had

many lawyers asking for you from time to time?

A. I never had one same lawyer.

I don't think actually, at any time.

Q. Can you help us at all by

suggesting who the lawyer might have been?

A. I don't remember. I never had no

even lawyer. I never need any lawyer till I got



1 in trouble.

2 Q. Have you one here today?

3 A. No, your lordship.

4 MR. WILSON: Q. And Stone died about
5 five years ago, didn't he?

6 A. That's right.

7 Q. There is one matter in connection
8 with the Lakeview Club, the lease of that
9 property was in your name, wasn't it?

10 A. That's right.

11 Q. Now, in this speech of Mr.
12 Wintermeyer's that I referred you to, on page
13 89 at the foot of the right hand column, it
14 reads:

15 "In December of 1960, when confessed
16 "gambler Max Bluestein was convicted
17 "of operating the Lakeview Club on
18 "Eglinton Avenue, the convicting
19 "magistrate estimated that the club
20 "did an annual business exceeding
21 "\$13 million, with a profit in excess
22 "of \$1 million."

23 What do you say as to his estimate of
24 that?

25 A. I think he should go back to
26 school again.

27 Q. Well, you say he is high?

28 A. He is not even close.

29 Q. When you say he is not even close,
30



in trouble.

Q. Have you one here today?

A. No, your honor.

W. WILSON: O. And where did you

five years ago, didn't he?

A. That's right.

Q. There is one matter in connection

with the property, and I want to ask

property was in your name, wasn't it?

A. That's right.

Q. Now, in this opinion of Mr.

Wintemeyer's that I referred you to, on page

37 at the foot of the right hand column, is

it

"In December of 1907, when concerned

with the property and the business

"of operating the railway club on

"Huntington Avenue, the operating

"the estate estimated that the club

"and an annual business exceeding

"\$12 million, with a profit in excess

"of \$1 million."

What do you say as to his estimate of

that?

A. I think he is right to look to

that.

Q. Well, you say he is right?

A. He is not even close.

Q. When you say he is not even close,



1 you must know what it was? Now, tell us what
2 gross and what the profits were.

3 A. Profits? I filed my tax on my
4 profits.

5 THE COMMISSIONER: Q. What was your
6 annual business?

7 A. The annual business? We could
8 write five thousand today.

9 Q. You could, but what did you do?

10 A. I haven't got the figures what
11 we done.

12 MR. WILSON: Q. Did you ever keep a
13 record of the total amount of bets that you
14 handled in a year?

15 A. Why would I keep them?

16 THE COMMISSIONER: Q. Did you?

17 A. No, I wouldn't keep the total
18 amount.

19 MR. WILSON: Q. No, and have you any
20 records from which you could determine how
21 much you had made in any given year?

22 A. Yes, I would keep track of
23 every day of how much I done.

24 Q. In what form did you keep that
25 record?

26 A. I don't follow you?

27 Q. Did you write it down in a book?
28 Did you trust to that memory of yours?

29 A. No, no. I wrote it down on a
30



Q. Now, what is the name of the person who is the owner of the property?

A. The name of the person who is the owner of the property is...

A. The name of the person who is the owner of the property is...

A. The name of the person who is the owner of the property is...

A. The name of the person who is the owner of the property is...

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A. The name of the person who is the owner of the property is...

A. The name of the person who is the owner of the property is...

A. The name of the person who is the owner of the property is...

A. The name of the person who is the owner of the property is...



1 piece of paper. If I had a book I would get
2 arrested with the book.
3
4
5
6
7
8
9
10
11
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(Page 12343 follows)



THE UNIVERSITY OF CHICAGO
LIBRARY

(UNIVERSITY OF CHICAGO)

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BB/WC/1

1

THE COMMISSIONER: You wrote it down on a piece of paper?

2

3

A. That is right. Every day I would change the figure.

4

5

Q. The same piece of paper?

6

A. No, I wouldn't have the same piece of paper.

7

8

Q. O.K. Then what did you do with the paper eventually?

9

10

A. After I paid my tax I would destroy it. All I would have is a figure, a bottom figure. That is all I would have on it.

11

12

13

Q. I see. And then when the auditor made up your ---

14

15

A. I would give him the figure and he would just make it up from what I told him.

16

17

Q. He had to rely on you?

18

A. That is right.

19

20

MR. WILSON: Q. What method did you adopt in determining what your profits were in any given year on your gambling operation?

21

22

A. What I made.

23

24

Q. Yes. But how did you arrive at what you made?

25

26

A. I got a figure for it. I knew how much I made.

27

28

Q. I see. Then, at the end of 1960, up to the time you were arrested, what profit did you have for the year up to that time?

29

30



Q. Now, you have said that you have a copy of the same.

A. Yes, I have.

Q. That is right. Now, did you have a copy of the same?

A. Yes, I have.

Q. The same piece of paper?

A. No, I wouldn't have the same piece of paper.

Q. Now, did you have a copy of the same?

A. Yes, I have.

Q. Now, did you have a copy of the same?

A. Yes, I have.

Q. All I would have in a figure, a picture.

A. Yes, I have.

Q. And then when the subject was up there --

A. Yes, I have.

Q. I would give him the figure and he would give me it up from what I told him.

A. Yes, I have.

Q. He had to rely on you?

A. That is right.

Q. Now, did you have a copy of the same?

A. Yes, I have.

Q. Now, did you have a copy of the same?

A. Yes, I have.

Q. Now, did you have a copy of the same?

A. Yes, I have.

Q. Now, did you have a copy of the same?

A. Yes, I have.

Q. Now, did you have a copy of the same?

A. Yes, I have.

Q. Now, did you have a copy of the same?

A. Yes, I have.



1 A. Profit?

2 Q. Yes.

3 A. I made no money.

4 THE COMMISSIONER: It is a losing operation,
5 Mr. Wilson, according to him.

6 THE WITNESS: That's for sure.

7 MR. WILSON: Q. I was just wondering if
8 you had ---

9 A. It is not like a race track that
10 they take their vigourish from -- have a
11 vigourish here.

12 THE COMMISSIONER: What is "vigourish"?

13 A. Well, if you go in Loblaw's they
14 sell a can of beans, they have a profit, a
15 mark-up. There is no mark-up in the
16 gambling business. You can win and you can
17 lose.

18 Q. What is "vigourish"?

19 A. A race track, they take seventeen
20 per cent. They can't lose, they take seventeen
21 cents out of every dollar that goes in there.
22 How can they lose?

23 Q. When you pay off you pay off at
24 the track odds, do you?

25 A. No, we pay fifteen, six, and
26 three.

27 MR. WILSON: Q. You had a little better
28 edge than the track, because you did not pay
29 any taxes?
30



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THE COMMISSIONERS OF THE LAND OFFICE

... OF

THE WITNESS: That's all, thank you.

IT WOULD BE A GREAT ADVANTAGE TO HAVE THE

1000

STREET 01 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

• 9204

NOV 28 1960



1 A. I paid taxes.

2 Q. You did not pay the taxes the track
3 paid on the bets they took?

4 A. I could write my horse business
5 on a postage stamp.

6 Q. I suppose you call something over
7 then thousand a day, that type of operation ---

8 A. You didn't ask me if it was
9 horse business.

10 THE COMMISSIONER: What kind of business
11 was it? You tell me.

12 A. Mostly sports.

13 Q. Mostly sports?

14 A. I would say ninety-nine per cent --
15 ninety-five per cent would be sports. Horse
16 business we didn't want, because all we would
17 get would be poison.

18 MR. WILSON: Q. What are the odds ---

19 THE COMMISSIONER: What is fifteen, six
20 and three, what does that mean?

21 A. You lay fifteen to one?

22 Q. What?

23 A. You are laying fifteen to one.

24 The race track gives the track odds.

25 Q. You were not interested in horses?

26 A. No, we were not. We tried to
27 discourage it.

28 Q. What is the fifteen, six and three
29 you used to pay?
30

4. NOY DID NOT SAY ANY MORE

, qm bjt dgrdco, s dc

Small, black, 1950s



- 1 A. That's it.
- 2 Q. On what?
- 3 A. Fifteen to win, six to place, and
- 4 three to show.
- 5 Q. That was horses?
- 6 A. Yes.
- 7 Q. But you were not interested in that?
- 8 A. No.
- 9 Q. But you paid those odds?
- 10 A. Yes.
- 11 Q. You must have been taking bets on
- 12 horses?
- 13 A. That is right.
- 14 Q. That was a small part of your
- 15 business?
- 16 A. That's right.
- 17 Q. Would you say?
- 18 A. That's right.
- 19 Q. The biggest part of your business
- 20 was sports?
- 21 A. That is right.
- 22 Q. What kind of sports?
- 23 A. Baseball.
- 24 Q. Yes. Anything else?
- 25 A. Yes, anything.
- 26 Q. Tell us what they were?
- 27 A. Hockey, football.
- 28 Q. Yes. Fights?
- 29 A. Fights.
- 30



1	A.	There is.
2	Q.	On what?
3	A.	Between the wife, six to eight, and
4		
5	Q.	That was between?
6	A.	Yes.
7	Q.	But you were not interested in that?
8	A.	No.
9	Q.	But you paid those money?
10	A.	Yes.
11	Q.	You must have been taking both on
12		
13	A.	That is right.
14		
15		
16	A.	That is right.
17	Q.	Would you say?
18	A.	That is right.
19	Q.	The present part of your business?
20		
21	A.	Yes, to some.
22	Q.	What kind of property?
23	A.	Immovable.
24	Q.	Anything else?
25	A.	Yes, anything.
26	Q.	Tell us what they were?
27	A.	(Sighs).
28	Q.	(Sighs).
29	A.	(Sighs).



1 Q. Where did you get the odds?

2 A. Got them out of the newspaper some-
3 times.

4 Q. Sometimes.

5 MR. WILSON: Q. What newspaper in Toronto
6 carried the odds from day to day?

7 A. The Mirror carries the odds.

8 Q. The Mirror?

9 A. The New York Mirror.

10 THE COMMISSIONER: You used to get the
11 odds by telephoning, didn't you?

12 A. Sometimes.

13 Q. Yes. Where?

14 A. They would call me.

15 Q. Where did you call for them?

16 A. They would call me.

17 Q. No, they did not call you. You would
18 call them?

19 A. Occasionally I would call them.

20 Q. Of course, you did. Where? Who
21 did you call?

22 A. Called many a guy.

23 Q. Now, who did you call?

24 A. I don't know their names.

25 Q. Then, how do you ---

26 A. There is no such thing as calling --
27 when you phone there is no name. You ask for
28 Joe, or Dick, or Tom, or Harry.

29 Q. Yes. But where did you call,
30



Q. Who did you get the money?

A. I got them out of the newspaper.

Q. When?

A. Sometime.

Q. What time?

A. I don't know.

Q. The money came from the office?

A. Yes.

Q. The New York office?

A. Yes.

Q. You used to get the money by telephoning, didn't you?

A. Yes.

Q. How much?

A. They would call me.

Q. And you only got the money?

A. They would call me.

Q. No, they did not call you. You would call them?

A. Yes.

Q. Occasionally I would call them.

A. Of course, you did. When?

Q. Did you call?

A. Called many a time.

Q. Now, who did you call?

A. I don't know their names.

Q. Then, how do you --

A. There is no such thing as calling --

When you know there is no name. You call for

me, or Dick, or Tom, or Harry.

Q. You, but where did you call?



1 Chicago?

2 A. I called Chicago occasionally.

3 Q. Yes. Of course, you did. Where
4 else did you call?

5 A. Chicago. I got the line here
6 mostly.

7 Q. You called Chicago?

8 A. Occasionally.

9 Q. Now, you told me once in a while
10 you called out of town for the odds on the
11 sporting events?

12 A. They would call me the line.

13 Q. They didn't call you?

14 A. Yes, they did.

15 Q. How much did you pay for it?

16 A. I would pay about \$10 a week.

17 Q. Who to?

18 A. A fellow by the name of Charlie
19 would come up and get the money.

20 Q. That is for the odds on what games?
21 I mean, what sort of sports?

22 A. Give me the line on football games
23 occasionally.

24 Q. Football games only?

25 A. No, baseball games, hockey games,
26 whatever it is. Sometimes make up my own
27 line.

28 Q. Well, we will come to the fact you
29 made up your own. But when you were telephoning
30



I called them yesterday.

Q. Yes. Of course, you did. Where

else did you call?

A. I called them yesterday.

Now.

Q. Now, you told me once in a while

you called one of them for the case on the

reporting agency?

A. They would call me the line.

Q. They would call you?

A. Yes, they did.

Q. How much did you pay for it?

A. I would pay about \$10 a week.

Q. And you

A. A fellow by the name of Charlie

would come up and get the money.

Q. Then he took the case on what basis?

A. I mean, what sort of agency?

A. Give me the line on football games

occasionally.

Q. Football games?

A. Yes, football games, football games.

Wherever he is. Sometimes takes up my own

line.

Q. Well, he will come to the fact you

made up your mind. And when you were reporting



1 to see what the odds were for the day ---

2 A. I never phoned that often.

3 Q. You telephoned frequently?

4 A. Once in a while.

5 Q. Because we have got some records
6 of your telephone calls.

7 A. That's right, you probably have.

8 Q. Yes. Now, you tell me without
9 me telling you when you called. And you
10 are on oath.

11 A. Well, you know more than I know
12 if you know who I called.

13 Q. You tell me who you think you
14 called.

15 A. We were given a number. A fellow
16 would call and give me a number and say,
17 "Call this number and you get the action."

18 Q. You called this number in Chicago.
19 Who did you ask for in Chicago?

20 A. Whatever code they give us. They
21 gave me a code.

22 Q. They gave you a code?

23 A. That's right.

24 Q. You used the code. Who gave you
25 the code?

26 A. Charlie.

27 Q. Where did you meet him?

28 A. Mr. Mandelson introduced me to him.

29 Q. Where?
30



Q. Now, you say that you called him on the phone?

A. Yes, I called him on the phone.

Q. You telephoned him, is that right?

A. Once in a while.

Q. Because we have got some records

on your telephone calls.

A. That's right, you probably have.

Q. Yes, now, you tell me whether

he called you when you called. And you

say he called.

A. Well, you know more than I know.

Q. Now, you know who I called.

A. You tell me who you think you

called.

A. We were given a number, I believe.

Q. And you and give me a number and say,

"Call this number and you get the action."

Q. You called this number in Chicago.

Q. And you ask for in Chicago?

A. Yes, I believe that's right.

Q. Now, you say that

Q. They gave you a code?

A. That's right.

Q. You used the code. Who gave you

the code?

A. I don't know.

Q. Where did you meet him?

A. Mr. Mandelsohn introduced me to him.

Q. Where?



1 A. Here in Toronto.

2 Q. When?

3 A. Oh, about ten years ago, I guess.

4 Q. Who is Mr. Mendelson?

5 A. Jules Mendelson.

6 Q. All right. He isn't dead, isn't he?

7 A. Yes, he is.

8 Q. I thought so. Having got the

9 number from your -- was he a friend of yours,

10 Jules Mendelson?

11 A. Yes, he was.

12 Q. Having got the number and the code

13 all you had to do was pick up the line?

14 A. No, they would call me some time

15 and tell me to call a different number.

16 Q. Pardon?

17 A. Call me and tell me to call a

18 different number. They were, like, floating.

19 They couldn't operate -- they were operating

20 out a pay phone sometimes.

21 Q. That is Chicago you are still

22 talking about?

23 A. Wherever they were.

24 Q. You told me it was Chicago?

25 A. Yes, I have called Chicago.

26 Q. Where else would you call?

27 A. I have called a lot of places.

28 Q. I know you have, but I want you

29 to tell me.

30 A. Wherever the fellow would give me



1 the number, that is where I would call.

2 Q. I know, but what place, Toledo?

3 A. No, your lordship.

4 Q. You are sure of that?

5 A. Positive.

6 Q. All right. Now, tell me the places

7 where you did call, then?

8 A. I called New York.

9 Q. Yes. Go on, I am waiting.

10 A. And Boston.

11 Q. How much did you pay for the service

12 from New York?

13 A. Charlie done all the arrangements.

14 I didn't have anything to do. He would make

15 all the arrangements.

16 Q. You were getting the service, you

17 were the man who was paying for the service?

18 A. I was paying Charlie here.

19 Q. I know. How much were you paying

20 him?

21 A. It varied, \$10, \$15, \$20 a week.

22 It varied.

23 Q. Yes?

24 A. During the hockey season he would

25 get very little.

26 Q. During the hockey season he got

27 little?

28 A. That is right.

29 Q. That was for New York, was it?

30

FORGOTTEN, DURING WHICH THE, AND I

THE UNIVERSITY OF CHICAGO

90517

RECEIVED JUL 29 1964

...1120 4347 MS I .1.0 02 .807

• **POWELL** **AAA**

How much did you pay for the car, Joe?

Chenille done all the embroidery is.

I don't have anything to do with him. I would not

There are two main types of *Phragmites* in the world: *Phragmites australis* and *Phragmites pectinatus*. *Phragmites australis* is the most common type and is found in many wetlands around the world. *Phragmites pectinatus* is a less common type and is found in some wetlands in the United States.

I know. How much more you love me.

IT varied, \$10, \$15, \$20 a week.

09.07.01

1

During the meeting between the two

970011 VPOV 09

During the hockey season he got

1891

... of ...

7-4 857 2160 404 701 860 5817



1 A. No, it was for the line, the base-
2 ball line.

3 Q. You paid \$10 per week for the
4 odds you got from Chicago?

5 A. No, I said ten or fifteen or
6 twenty. It wasn't an exact amount. Sometimes
7 he jacked the price up.

8 Q. I see. How high did it get?

9 A. \$20 a week was the most.

10 Q. Did I understand you a little
11 while ago to say you hadn't seen Charlie
12 recently?

13 A. I haven't seen him since I got
14 arrested.

15 Q. What?

16 A. Since I got arrested in 1960.

17 Q. Had you been in close contact with
18 him until you were arrested?

19 A. Yeah, he would talk to me practically
20 every day on the telephone.

21 Q. Practically every day. Oh, there
22 is some other place besides Boston ---

23 MR. WILSON: I don't think we have covered
24 Toronto, Mr. Commissioner.

25 THE COMMISSIONER: Yes, I am interested in
26 across the line.

27 Q. You told us about Chicago ---

28 MR. WILSON: Buffalo.

29 THE COMMISSIONER: Wait a minute.
30

BB/2



1. A . . . 82 and 83, old

YOU GOT THEM FOR US BIG BOY

10. I am a member of the following organizations:

[illegible]

in 1900 the price was

• A. \$20 a week was paid more.

WILLIAM J. HARRIS, JR., President

103 I don't mind men's power . 3

Since I could not find any other information about the subject, I am returning the photograph to you.

91005 89-718 970N NOV 21 1990

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

at Department of War I . 207 : 78 OCT 29 1964

VOYAGE AU PAYS DES CHOCOLATS



1 Q. Chicago, New York and Boston.

2 Tell us the other places. And you are on your
3 oath.

4 A. I don't remember.

5 Q. What?

6 A. I don't remember.

7 Q. Let me see that -- you were showing
8 it to me at noon.

9 MR. WILSON: Oh, this thing? I will give
10 you this one. Give me that one back. There
11 are some notes of mine on it. Thank you.

12 THE COMMISSIONER: Q. Has your memory
13 failed you in the last several months?

14 A. Not in the last several months.

15 Q. No?

16 A. My memory has been bad ---

17 Q. Your memory is as good as it was
18 several months ago. Tell me, tell me the
19 places you used to call in the States to get
20 the odds. You told us about three of them.
21 What about the others?

22 A. I don't remember.

23 Q. Are you swearing you don't know
24 who you were calling in Chicago?

25 A. No, I don't know any of those
26 fellows over there. I don't know anybody on
27 the other side, practically.

28 Q. Never heard of them. Is that what
29 you say? Never heard the names?
30



Q. Chicago, New York and Boston.

A. Tell us the other places. And you are on your

Q. A. I don't remember.

A. I don't remember.

A. I don't remember.

Q. Let me see that -- you were showing

is to me at noon.

Q. I don't remember.

A. You this one. Give me that one back. There

are some notes of mine on it. Thank you.

Q. I don't remember.

Telling you in the last several months

A. Not in the last several months.

Q. Not?

A. My memory has been bad --

Q. Your memory is as good as it was

several months ago. Tell me, tell me the

places you used to call in the States to get

the cases. You told us about three of them.

What about the others?

A. I don't remember.

Q. Are you wanting you don't know

who you were calling in Chicago?

A. No, I don't know any of those

regions over there. I don't know anybody of

the other side, especially.

Q. Never heard of them. Is that what

you say? Never heard the names?



1 A. I have one, Bill Caplin. That is
2 the only one I know. Got sheets from him.

3 Q. We are making a little headway,
4 but slowly, witness. Is it Angel Caplin or
5 Anglin Caplin?

6 A. Bill Caplin, the only one I know.

7 Q. Do you know his address?

8 A. I think it is on Clarke Street,
9 but I am not sure.

10 Q. You are right, 236 North Clarke
11 Street. Do you know the number of telephones
12 that were in his place there?

13 A. No, I have never been to his place.

14 Q. Did you always call the same
15 number?

16 A. I don't remember. He would send
17 me the sheets.

18 Q. I see.

19 A. And the line on it.

20 Q. He charged you \$30 a week?

21 A. Never charged me no \$30.

22 Q. He didn't?

23 A. No, he did not.

24 Q. Maybe you got a cut rate service. How
25 much did he charge you?

26 A. I paid Charlie.

27 Q. How much did you pay Charlie?

28 A. Between ten and twenty dollars a
29 week.
30



A. I have one, Bill Smith. That is

the only one I know. Got speech from him.

Q. We are looking for a little money,

but money, witness. Is the Angel Capital on

Angels Capital?

A. Yes, I have one, Bill Smith. That is

Q. Do you know the address?

A. I think it is on Clarendon,

but I am not sure.

Q. You are right, 235 Clarendon

Street. Do you know the number of telephone

number of the place?

A. No, I have never been to his place.

Q. Did you always call the name

A. I don't remember. He would call

me the name.

Q. I see.

A. And the line on it.

Q. He charged you \$20 a week?

A. Never charged me no \$20.

A. No, he did not.

Q. Suppose you got a certain number. How

much did he charge you?

A. I paid Charlie.

Q. How much did you pay Charlie?

A. Between ten and twenty dollars a

week.



1 Q. No more?

2 A. I think I paid Bill Caplin \$50 a
3 year. I am not sure.

4 Q. That was for the odds on mostly
5 baseball, was it?

6 A. Sports.

7 Q. All sports?

8 A. That is my recollection.

9 Q. Who set the odds on the hockey?

10 A. I set my own odds.

11 Q. How did you do that?

12 A. I set my own odds on baseball, too.

13 Q. Did you?

14 A. You don't have to be a university
15 graduate to do that, anybody can do that.

16 Q. I don't know. Did you get the
17 odds on the football games from across the
18 I mean
19 line, the American games?

20 A. Yes. I would get the line from
21 there occasionally. Sometimes I would make
22 my own line.

23 Q. Who is Benny Lightman?

24 A. Who?

25 Q. Benny Lightman?

26 A. I know Benny.

27 Q. I know. Who is he?

28 A. He is a chap around town.

29 Q. What does he do?

30 A. I don't know what he does.



Q. No more?

A. I think I said Bill Gartin \$500 a

month. I am not sure.

Q. How much did you say he was paid?

A. I don't know.

Q. How much?

A. I don't know.

Q. That is my recollection.

Q. Who got the odds on the horses?

A. I got my own odds.

Q. How did you do that?

A. I got my own odds on a regular basis.

Q. How much?

A. You don't have to be a university

graduate to do that, anybody can do that.

Q. I don't know. Did you get the

odds on the football games from across the

street?

A. Yes. I would get the line from

the bookmaker.

Q. How much?

A. Who is Henry Richmond?

Q. Who?

A. I don't know.

Q. I know. Who is he?

A. He is a chap around town.

Q. What does he do?

A. I don't know what he does.



1 Q. What do you think he does?

2 A. I don't know what he is doing.

3 Q. No idea? Are you swearing you
4 have no idea what he does? You are on your
5 oath.

6 A. I don't know what he is doing now.
7 I don't know. I haven't seen him.

8 Q. What did he do when you were in
9 contact with him?

10 A. He was a line maker.

11 Q. He was a line maker. Not telephone
12 lines. What do you mean by a line maker?

13 A. His hobby was making, making up
14 odds.

15 Q. Making odds, that is what you
16 mean by a line maker. Did he make the odds
17 on any of these games?

18 A. I don't say he made, but that
19 was his hobby.

20 Q. Just a hobby?

21 A. I don't know what he is doing.

22 Q. Pardon?

23 A. I don't know what he is doing.

24 THE COMMISSIONER: I am usurping your
25 function, but I am rather enjoying it, Mr.
26 Wilson.

27 MR. WILSON: I am enjoying it. I will
28 sit down and rest.

29 THE COMMISSIONER: Q. Just a hobby?
30



Q. What do you think he does?
 A. I don't know what he is doing.
 Q. No idea? Are you sure?
 A. I don't know what he does. Not one of you.
 A. I don't know what he is doing now.
 I don't know. I haven't seen him.
 Q. What did he do when you were in
 A. He was a line maker.
 Q. He was a line maker. Not for
 A. What do you mean by a line maker?
 A. His hobby was making, making up
 Q. Making odds, that is what you
 mean by a line maker. Did he have the odds
 on any of these games?
 A. I don't say he made, but that
 was his hobby.
 Q. Just a hobby?
 A. I don't know what he is doing.
 Q. Random?
 A. I don't know what he is doing.
 THE COMMISSIONER: I am reporting your
 testimony, but I am not enjoying it, Mr.
 MR. WILSON: I am enjoying it. I will
 sit down and rest.
 THE COMMISSIONER: Q. Just a hobby?



1 A. I don't know what he is doing.

2 Q. I didn't ask you that. I said,
3 it was just a hobby with him? When he passed
4 the odds on to you was that ---

5 A. He never passed the odds on to me.

6 Q. --- indulging his hobby?

7 A. I never said he passed the odds
8 on to me. You are putting words in my mouth.

9 Q. I am asking you if he did?

10 A. I say never passed no odds on to me.

11 Q. Did you ever telephone to get the
12 odds?

13 A. I didn't say I did.

14 Q. Are you sure?

15 A. I don't remember whether I did
16 or not.

17 Q. Do you remember where he lives?

18 A. Yes, he lived on Parkhill.

19 Q. Now?

20 A. I don't know where he lives now.

21 THE COMMISSIONER: Mr. Wilson, go ahead.

22 MR. WILSON: Q. Before we leave Curly
23 Lightman, he was a principal in the Atlas
24 Club, wasn't he?

25 A. I don't know if he was the
26 principal in the Atlas Club.

27 Q. That is where you used to phone?

28 A. Who says that is where I used to
29 phone.
30



A. I don't know what he is doing.

Q. I didn't ask you that. I said,

it was just a hobby when Harry Wilson was

the owner of the club, was it?

A. He never passed the odds on to me.

Q. --- Did you give him any money?

A. I never said he passed the odds

on to me. You are putting words in my mouth.

Q. I am asking you if he did?

A. I may never passed no odds on to me.

Q. Did you ever telephone to get the

odds?

A. I didn't say I did.

Q. Did you?

A. I don't remember whether I did

or not.

Q. Do you remember where he lived?

A. Yes, he lived on Parkhill.

Q. Where?

A. I don't know where he lived now.

THE COMMISSIONER: Mr. Wilson, go ahead.

MR. WILSON: Q. Before we leave Gary

Michigan, he was a principal in the Asian

Club, wasn't he?

A. I don't know if he was the

principal in the Asian Club.

Q. That is where you used to hang?

A. Who says that is where I used to

hang.



1 THE COMMISSIONER: You are being asked.

2 MR. WILSON: Q. Isn't that where you
3 phoned?

4 A. I phoned him at home.

5 Q. You also phoned him at the Atlas
6 Club?

7 A. I perhaps have.

8 Q. And he had a wire service at the
9 Atlas Club?

10 A. He did?

11 Q. Yes, he did.

12 A. I wouldn't say he did.

13 Q. Who had it?

14 A. The Atlas Club had a wire service.

15 Q. They had a wire service?

16 A. The Atlas Club, not Ben Lightman.

17 Q. And that Atlas Club provided the
18 wire service that provided the odds on these
19 events you were interested in? What did it
20 provide?

21 A. Give you the scores on football
22 games or baseball games.

23 Q. You say it only provided the
24 results?

25 A. The scores, like, certain infor-
26 mation you are able to get, gives you the
27 pitchers and things like that.

28 Q. Before we leave the Queen City,
29 do you know an Irving Bluestein?
30



Q. Yes, I do.

Q. Well, how do you know?

Q. I know him by sight.

Q. Mention his name?

Q. Yes, I know him by sight.

Q. Because of the name name, Irving Rosenberg?

Q. No, I haven't.

Q. The only Irving Rosenberg you know

is your brother?

Q. No, I know a few Irving Rosenbergs.

Q. Oh. Who are the others?

Q. Who are they? They are men.

Q. Don't know what you mean, by "who are they?"

Q. Do you know any other Irving

Rosenbergs?

Q. Yes, I do.

Q. Except your brother?

Q. Yes, I do.

Q. Just tell us about them?

Q. They are ordinary citizens.

Q. Where do they live?

Q. I don't know where they live.

Q. Well, where does Irving Rosenberg

live, your brother, live?

Q. No, I live on Pennsylvania Avenue.

Q. Did he ever live at the Rosenberg

home?

Q. Yes, he did.

Q. That is the last time I saw



1 talking about.

2 THE COMMISSIONER: What road?

3 MR. WILSON: 72 Rosebury Road.

4 Q. Now, I see by the returns of the
5 Queen City Chess and Bridge Club for 1959,
6 Irving Bluestein, 72 Rosebury Road, was listed
7 as president?

8 A. That's right.

9 Q. And you knew that?

10 A. Yes, I knew it.

11 Q. Just a few minutes ago you said
12 you never heard of the Queen City Club?

13 A. I said there was no such club
14 operating. Perhaps I misunderstood you. I
15 thought you were talking about a gambling club.
16 Are you talking about gambling or are you
17 just talking about if I had a club in ---

18 Q. I am just talking about a social
19 club ----

20
21 (Page 12357 follows)
22
23
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THE COMMISSIONER:

THE COMMISSIONER: What ready

THE COMMISSIONER: Is that ready?

Q. Now, I see by the return of the

Green City Green and Bridge Club for 1900,

Living Museum, 12 Hensbury Road, was listed

as follows:

A. Green City Green.

Q. And you know that?

A. Yes, I know it.

Q. Just a few minutes ago you said

you never heard of the Green City Club?

A. I said there was no such club

operating. Perhaps I misunderstood you. I

thought you were talking about a gambling club.

Are you talking about gambling or are you

just talking about it I had a club in --

Q. I am just talking about a social

(THE FIRST PART)



BB/1/WC

- 1 A. That was no social club --
- 2 Q. Just listen to me. Was the
- 3 Lakeview a social club?
- 4 A. Yes, it was a gambling club. We
- 5 gambled up there.
- 6 Q. It had a charter?
- 7 A. Yes, we gambled up there. There
- 8 was no gambling at 72 Rosebury Road, and you
- 9 know darn well there wasn't.
- 10 Q. No one is suggesting there was
- 11 gambling at 72 Rosebury Road.
- 12 A. Or Queen City ever was a gambling
- 13 club. It never was.
- 14 Q. What you are saying, the Queen
- 15 City Club -- a few minutes ago you never heard
- 16 of it. Now it is a club and your brother
- 17 was the president.
- 18 A. I don't know, maybe I am mixed
- 19 up or you are trying to mix me up. I says
- 20 to you --- Are you discussing gambling
- 21 clubs or legitimate clubs, people have a club
- 22 and sit down over a pot of tea. Is that
- 23 what you are referring to?
- 24 Q. You listen to me.
- 25 A. Do you know you can't have a
- 26 club in Forest Hill Village. You can't have
- 27 a club in Forest Hill Village.
- 28 Q. When I ask you about a question
- 29 you answer the question. We will decide
- 30

you answer the question. We will decide

Q. When I ask you about a question

a club in Forest Hill Village.

club in Forest Hill Village. You can't have

A. Do you know you can't have a

Q. You listen to me.

what you are referring to?

and sit down over a pot of tea. Is that

clubs or legitimate clubs, people have a club

to you -- Are you discussing gambling

up or you are trying to mix me up. I agree

A. I don't know, maybe I am mixed

was the president.

of it. Now it is a club and your brother

that club -- you mixed me up with your

Q. What was the name of the club?

club. It never was.

A. The name of the club was a gambling

gambling at 12 Broadway Road.

Q. No one is suggesting there was

any more tell me what

was no gambling at 12 Broadway Road, and you

A. Yes, we gambled up there. There

Q. It had a character?

Q. What was the name?

A. Yes, it was a gambling club. We

Q. What was the name of the club?

Q. What happened to me. Was the

A. That was no social club --



1 whether it is a gambling club or not, not you.

2 THE COMMISSIONER: Witness, look at me.
3 You pay attention to what I am saying. You
4 are here to answer questions, not to ask.
5 Mr. Wilson, put the question again.

6 MR. WILSON: Q. You did know that
7 your brother was the president of the Queen
8 City ---

9 A. What are you trying to do, smear
10 my brother? You have done everything you
11 can to me, now you are trying to smear my
12 brother. My brother is a legitimate man,
13 never took a dollar bet in his life, and doesn't
14 know anything about it. Are you trying to
15 smear him?

16 MR. WILSON: If this witness, Mr.
17 Commissioner, keeps this tirade up I will ask
18 you to commit him.

19 THE COMMISSIONER: And I shall, too.

20 MR. WILSON: And he can cool off for a
21 week or two.

22 THE COMMISSIONER: And I shall, too.
23 You just cool down and answer the questions.

24 THE WITNESS: He is not asking me any
25 fair questions. If he is going to smear
26 people who don't know anything about gambling, ---
27

28 THE COMMISSIONER: I will rule whether
29 the question is fair or not fair.

30 THE WITNESS: Why don't you stop him



whether it is a gambling club or not, not you.

THE COMMISSIONER: I have, just at this.

You are attention to what I am saying. You

are here to answer questions, not to ask.

Mr. Wilson, are the questions again.

Mr. Wilson: Yes. You did know that

you were the only person in the room

A. What are you trying to do, what

my brother? You have done everything you

can to me, now you are trying to smear my

brother. My brother is a legitimate man,

never took a dollar out of his life, and doesn't

know anything about it. Are you trying to

smear him?

Mr. Wilson: If this witness, Mr.

Commissioner, keeps this tirade up I will ask

that he be removed.

THE COMMISSIONER: And I shall, too.

Mr. Wilson: And he can go out for a

week or two.

THE COMMISSIONER: And I shall, too.

You just cool down and answer the questions.

Mr. Wilson: He is not asking me any

fair questions. If he is going to smear

people who don't know anything about gambling, ---

THE COMMISSIONER: I will tell the witness

the question is fair or not fair.

THE WITNESS: Why don't you stop him



1 before he asks the question.

2 THE COMMISSIONER: I have not yet heard
3 an unfair question.

4 THE WITNESS: You think this is a fair
5 question?

6 THE COMMISSIONER: Yes.

7 THE WITNESS: How?

8 THE COMMISSIONER: You are simply being
9 asked, you were asked if you knew anything
10 about the Queen City Club, and you said no,
11 and rather grinned and smirked about it.

12 THE WITNESS: This is no gambling club.
13 I thought you were talking about gambling clubs.
14 They have a little get-together.

15 THE COMMISSIONER: Q. You weren't asked
16 whether it was a gambling club or not.

17 A. They never played cards. Never
18 had a deck of cards in there.

19 Q. You will have to listen to me,
20 witness, whether you like it or not. You
21 are asked a simple question, if you had ever
22 heard of the Queen City Club. You said that
23 you had not heard of it.

24 A. As a club. No, I don't know
25 anything about a club as a club.

26 Q. It now turns out your brother
27 was the president of the Queen City Club.
28 It may be a perfectly legitimate club. I don't
29 know.
30



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THE COURT: Now, you say that you were asked to go to the Green City Club, and you said no, and rather grinned and smiled about it.

THE WITNESS: This is no laughing club. I thought you were talking about gambling clubs.

THE COURT: You are simply being asked, you were asked if you knew anything about the Green City Club, and you said no, and rather grinned and smiled about it.

THE WITNESS: This is no laughing club. I thought you were talking about gambling clubs.

THE COURT: You are simply being asked, you were asked if you knew anything about the Green City Club, and you said no, and rather grinned and smiled about it.

THE WITNESS: This is no laughing club. I thought you were talking about gambling clubs.

THE COURT: You are simply being asked, you were asked if you knew anything about the Green City Club, and you said no, and rather grinned and smiled about it.

THE WITNESS: This is no laughing club. I thought you were talking about gambling clubs.

THE COURT: You are simply being asked, you were asked if you knew anything about the Green City Club, and you said no, and rather grinned and smiled about it.

THE WITNESS: This is no laughing club. I thought you were talking about gambling clubs.

THE COURT: You are simply being asked, you were asked if you knew anything about the Green City Club, and you said no, and rather grinned and smiled about it.

THE WITNESS: This is no laughing club. I thought you were talking about gambling clubs.

THE COURT: You are simply being asked, you were asked if you knew anything about the Green City Club, and you said no, and rather grinned and smiled about it.

THE WITNESS: This is no laughing club. I thought you were talking about gambling clubs.

THE COURT: You are simply being asked, you were asked if you knew anything about the Green City Club, and you said no, and rather grinned and smiled about it.



1 A. Why does he bring his name in?
2 This guy is a legitimate guy. He doesn't
3 know anything about these things.
4

5 Q. You now know an entity as the
6 Queen City Club?

7 A. He gave the charter up.

8 Q. He had the charter?

9 A. He gave it up.

10 Q. He did?

11 A. It was never revoked. He gave
12 the charter away.

13 Q. To whom?

14 A. To the Provincial Buildings, I
15 guess.

16 Q. Then, he had a charter at one
17 time?

18 A. He couldn't have the charter
19 in Forest Hill Village.

20 Q. I see.

21 A. You couldn't have the club there.

22 Q. I see. So, he surrendered the
23 charter?

24 A. He wrote a letter. They wanted
25 him to move the address. He didn't want it.
26 He told them to take it.

27 THE COMMISSIONER: We have now got that
28 cleared away.

29 MR. WILSON: Q. Now, we have been
30 talking about bookmaking for a while. Now, we



A. Why does he bring him home?

This guy is a localite guy. He doesn't

know anything about these things.

Q. You now know an answer to the

question?

A. He gave the answer to.

Q. He gave the answer?

A. He gave it to.

Q. He didn't.

A. It was never revealed. He gave

the answer to.

Q. He didn't.

A. To the Provincial Assembly, I

mean,

Q. When, he had a minister at one

time?

A. He couldn't have the answer

to the question.

Q. I see.

A. You couldn't have the old there.

Q. I see. So, he answered the

question?

A. He wrote a letter. They wanted

him to move the address. He didn't want it.

He told them to take it.

THE COMMISSIONER: He has a good time

at home.

Mr. TERRY: Q. Now, we have seen

nothing about bookmaking for a while. Now, we



1 will turn to floating crap games. What
2 interest have you had in floating crap games
3 in the Toronto area in the last fifteen years?
4

5 A. Fifteen years?

6 THE COMMISSIONER: Within the last
7 fifteen years.

8 MR. WILSON: Q. Within the last
9 fifteen years?

10 A. You are going away back for me.

11 THE COMMISSIONER: No, within the last
12 fifteen years.

13 A. I would go to any crap game
14 maybe once a week, maybe once in two weeks.

15 MR. WILSON: Q. Where?

16 A. But I never ran no crap game. You
17 can't run a crap game in Toronto.

18 Q. Are you saying you never had
19 any interest in banking any floating crap
20 game in the Toronto area in the last fifteen
21 years?

22 A. Don't go back fifteen years ---

23 Q. I am going back fifteen years.

24 A. You don't have to go back fifteen
25 years with me. I never went to crap games
26 fifteen years ago in Toronto.

27 THE COMMISSIONER: Let's make it ten.

28 THE WITNESS: Let's make it three or four,
29 that would be closer. Ten is too --- I
30 never went to no crap games ten years ago.



will turn to floating crop again. What
interest have you had in floating crop, and
in the Toronto area in the last fifteen years?

A. Fifteen years?

THE COMMISSIONER: Within the last

fifteen years.

A. Within the last

fifteen years.

A. You are going away back for me.

THE COMMISSIONER: No, within the last

fifteen years.

A. I would go to any crop game

maybe once a week, maybe once in two weeks.

A. Within the last

A. But I haven't had any crop game. You

can't run a crop game in Toronto.

A. Are you saying you never had

any interest in running any floating crop

game in the Toronto area in the last fifteen

years?

A. Don't go back fifteen years --

A. I wouldn't go fifteen years.

A. You don't have to go back fifteen

years with me. I never went to crop game

within the last fifteen years.

THE COMMISSIONER: What about the

THE WITNESS: Joe's name is three or four,

that would be chosen. Then is too -- I

never went to no crop game ten years ago.



1 THE COMMISSIONER: Q. When did you
2 start?

3 A. If I go to a stag, I would go.
4 How often do you go, once a week, once in two
5 weeks.

6 THE COMMISSIONER: All right, Mr. Wilson.

7 MR. WILSON: Q. Did you bank any of
8 these floating crap games in the Toronto area?

9 A. You mean a stag, that is what
10 you are referring to?

11 Q. I mean a floating crap game.

12 A. I never had a floating crap game.

13 Q. Did you ever bank a crap game in
14 the Toronto area in the last ten years?

15 A. I would go to crap games ---

16 Q. That is not what I am asking you.

17 A. I would go and take a piece of a
18 game at a stag.

19 Q. Now, you are answering.

20 A. Occasionally.

21 Q. Occasionally.

22 A. We never had a crap game. If you
23 are insinuating I had a crap game, you are off
24 the beam. I never had a crap game.

25 Q. I understand your language. You
26 call them stags, where you would take a piece
27 in the operation?

28 A. Yes, occasionally.

29 Q. It is just that we don't talk the
30



THE COMMISSIONER: C. When did you

leave?

A. If I go to a party, I would

how often do you go, once a week, once in two

MR. WILSON: Q. Did you have any of

A. You mean a party, that is what

Q. I mean a floating crap game.

A. I never had a floating crap game.

Q. Did you ever have a crap game in

the Toronto area in the last ten years?

A. I would go to crap games --

Q. That is not what I am asking you.

A. I would go and make a place of a

game at a house.

Q. Now, you are questioning.

A. Occasionally.

Q. Occasionally.

A. We never had a crap game. If you

are questioning I had a crap game, you are not.

the game. I never had a crap game.

Q. I understand your language. You

call them stages, where you would make a place

in the operation?

A. Yes, occasionally.

Q. It is just that we don't call them



1 same language, it confuses you. Now, who
2 were your partners in any of these stages where
3 you put up part of the bank?

4 A. I would go in with somebody.
5 They would have a piece and I would take a
6 piece.

7 Q. Now, in the type of gambling operation
8 where they had a home base, such as the Alpha
9 Club, were you ever there out in Cooksville?

10 A. I was there a few times. Yes,
11 I have been there a few times.

12 Q. And around 1954, the name changed --

13 A. I don't know nothing about the
14 name changing. I wasn't interested. I
15 don't know anything about ---

16 Q. You were there around '54 and
17 '55, weren't you?

18 A. You were there?

19 Q. Do you know what being there means?

20 A. No, I don't.

21 Q. It is where you are all there.

22 A. I don't know what you mean.

23 Q. Now, how would you put it, so
24 we can understand your language, how would you
25 put it if you drove out to the club?

26 A. I don't think I was there a
27 dozen times in my life.

28 Q. That is something. And who was
29 running it when you were out there?
30



Q. Now, did you know that?

A. Yes, I know that.

Q. You put up part of the money?

A. Yes, I did.

Q. They would have a place and I would take a

place.

Q. Now, in the type of building operation

where they had a home base, even on the Alps

Glac, were you ever there or in Goshaville?

A. I was there a few times. Yes.

Q. I have been there a few times.

A. Yes, I have.

Q. I don't know where you were.

A. I don't know where you were.

Q. I don't know anything about it.

A. You were there around 1944 and

1945, wasn't you?

A. You were there?

Q. Do you know what happened there around

A. No, I don't.

Q. It is where you are all there.

A. I don't know what you mean.

Q. Now, you would not put it, no

we can understand your land, no, but nothing but

put it in, you drove out to the city

A. I don't think I was there a

good time in my life.

Q. That is something. And the way

turning it when you were out there.



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A. I don't know who was running it.

Q. Now, in 1940 -- let's see that last exhibit, I want to lead up to this next question. In 1949 you were convicted of having an unregistered automatic pistol, and fined \$30. Now, what did you have the pistol for?

A. Just as you would have one at home. The same thing, no difference.

Q. Tell us what you had it for.

A. The same thing you would have it for.

Q. That is not an answer. Our reasons may be different. A. I would have it the same as any other citizen would have a gun at home.

Q. What was the purpose of it? Just tell us what your purpose was.

A. No purpose. I had a gun at home. There is nothing wrong with that.

THE COMMISSIONER: Q. Why did you have the gun?

A. Why did I have the gun? Any other citizen would.

Q. No.

A. That is the answer.

Q. You don't know why other citizens have guns.

A. Some have hobbies. I don't know.

Q. Why did you have the gun?



Q. I don't know who was running it.

Q. Now, in 1940 -- let's see that last exhibit, I want to lead up to this next question. In 1940 you were convicted of having an unauthorized automobile license, was that right?

Q. Now, what did you have the pistol for?

A. I was as you would have me at home. The same thing, no difference.

Q. Tell us what you had it for.

A. The same thing you would have in your.

Q. That is not an answer, you.

A. I would have it for reasons may be different.

Q. I would have it for same as any other citizen would have a gun at home.

Q. What was the purpose of it?

Q. Just tell us what your purpose was.

A. No purpose. I had a gun at home.

Q. There is nothing wrong with that.

THE COMMISSIONER: Q. Why did you have it?

A. Why did I have the gun?

Q. No.

A. That is the answer.

Q. You don't know why other citizens have guns.

A. Some have hobbies. I don't know.

Q. Why did you have one?

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1 A. I had it like any other John Doe
2 would have it.

3 Q. That doesn't inform me very
4 well, and I want to be informed. Why did
5 you have the revolver?

6 A. I just got through repeating
7 myself three times.

8 Q. Well, you have not answered the
9 question even though you have repeated yourself.
10 Why did you have this particular revolver?

11 A. I had a gun in the house.

12 Q. Why did you have it there?

13 A. No particular reason.

14 Q. Now, come, please. You have
15 got a stove in the kitchen in order to cook
16 on it. Why did you have the revolver?

17 A. No particular reason.

18 Q. Were you having target practice
19 or anything of that sort?

20 A. No, I couldn't hit a cow on the ---

21 Q. You were not using it for
22 target practice?

23 A. No.

24 Q. Were you using it to scare
25 anybody away from the house?

26 A. Why would I want to scare anybody
27 away from the house?

28 Q. I do not know. You weren't using
29 it for that purpose?
30

BB/4



A. I had it like any other town

would have it.

Q. That doesn't inform me very

well, and I want to be informed. Why did

you have the revolver?

A. I just got through repelling

an attempt to break in.

Q. Well, you have not mentioned the

question of whether or not you had a gun

at the time of the shooting.

A. I had a gun in the house.

Q. Why did you have it there?

A. For protection.

Q. Now, come, please. You have

got a stove in the kitchen in order to cook

on it. Why did you have the revolver?

A. No particular reason.

Q. Now you have not mentioned

or anything of that sort?

A. No, I couldn't hit a cow on the --

Q. You were not using it for

target practice?

A. No.

Q. Were you using it to scare

anybody away from the house?

A. Why would I want to scare anybody

away from the house?

Q. I do not know. You weren't using

it for that purpose?



1 A. I just had it.

2 Q. Why did you have it?

3 A. The same as any other person.

4 Q. Safety purposes?

5 A. Not safety.

6 Q. What reason, then?

7 A. The same as anybody has a gun.

8 No difference.

9 Q. I don't know why other people
10 have a gun. Why did you have this one?

11 A. The same reason anybody else
12 has one.

13 Q. But that doesn't inform me at
14 all. Did you have ammunition for it?

15 A. Yes.

16 Q. Why did you have the ammunition?

17 A. What is the use of having a gun
18 without ammunition?

19 Q. That is a good answer. Then, you
20 had the gun and the ammunition so you could
21 use the ammunition in the gun?

22 A. No, I never.

23 Q. Oh. Why did you have the
24 ammunition?

25 A. I had like any other citizen
26 would have it.

27 Q. I see. Just doing as the Joneses
28 do. Is that what you are saying?

29 A. I don't know what the Joneses do.

30 Q. I don't know what the other citizens



I just saw it.

Was it the same one?

The same as the other one?

Not exactly.

Not exactly.

Not exactly.

The same as anybody has a gun.

No difference.

I don't know what you mean.

Why did you have this one?

The same reason anybody else

has one.

But that doesn't inform me at

all. Did you have ammunition for it?

Yes.

Why did you have the ammunition?

What is the use of having a gun

without ammunition?

That is a good answer. Then, you

had the gun and the ammunition so you could

use the ammunition in the gun?

No, I never.

Why did you have the

I had like any other citizen

would have it.

I see. Just doing as the Joneses

do. Is that what you are saying?

I don't know what the Joneses do.

I don't know what the other citizens



1 do either. You had it there for a purpose?

2 A. No, I never had it there for
3 no purpose.

4 MR. WILSON: Q. Had your aim with
5 the gun improved any up until 1958?

6 A. I don't know what you mean.

7 Q. You said something, you couldn't
8 hit a cow in 1949. I was just wondering if
9 your aim improved?

10 A. I couldn't hit it now.

11 Q. In 1958, do you remember applying
12 to the Metropolitan Toronto Police Department
13 for a permit to carry a gun?

14 A. I don't remember.

15 Q. You don't remember being inter-
16 viewed by Deputy Chief Thurston? And Inspector
17 Herbert Thurston?

18 A. I don't remember.

19 Q. Now, when you say they didn't
20 interview you, are you swearing you didn't
21 interview them?

22 A. No, I never said --

23 Q. That you weren't interviewed by
24 them?

25 A. I didn't say that.

26 Q. All right, what are you saying?

27 A. I say I don't remember.

28 THE COMMISSIONER: Q. You don't remember
29 what?



do either. You had it there for a purpose?

A. No, I never had it there for

no purpose.

Q. WILSON: Had your aim with

the gun improved any in April 1968?

A. I don't know what you mean.

Q. You said something, you couldn't

hit down in 1968. I was just wondering if

your aim improved?

A. I couldn't hit it now.

Q. In 1968, do you remember going

to the Metropolitan Toronto Police Department

for a permit to carry a gun?

A. I don't remember.

Q. You don't remember being inter-

viewed by Deputy Chief Thompson? And Thompson

referred to you as

A. I don't remember.

Q. Now, when you say you didn't

interview him, are you answering you didn't

interview him?

A. No, I never said --

Q. That you weren't interviewed by

him?

A. I didn't say that.

Q. All right, what are you saying?

A. I say I don't remember.

Q. THE COURT: You don't remember



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A. Asking for a gun.

MR. WILSON: Q. Are you swearing you weren't interviewed by these two men in 19 ---

A. I never said that. You said if I asked for a permit to carry a gun.

Q. I asked you whether or not you applied to them for a permit to carry a gun?

A. I don't remember.

Q. No.

THE COMMISSIONER: You don't remember that?

A. No, I don't.

MR. WILSON: Q. Do you remember telling them that the reason you wanted a permit to carry a gun was for your own protection, at this interview in 1958?

A. No, I don't remember.

THE COMMISSIONER: If they say that you did, you won't deny it, then?

A. That's right.

MR. WILSON: Q. If they say at that interview you said there had been a recent meeting of the Mafia at the Westbury Hotel, and that the Mafia were planning to move into Toronto, and you were opposed to the Mafia, would you deny that?

A. I was opposed to the Mafia?

Q. Opposed to the Mafia. That was why ---



Q. Now you were saying you

were interviewed by these two men in 1933 --

A. I never said that. You said

if I asked you a permit to carry a gun.

Q. I asked you whether or not you

had a permit to carry a gun in 1933.

A. I don't remember.

Q. Now, you said you didn't

remember.

A. No, I don't.

Q. Now, you remember that

when that the reason you wanted a permit to

carry a gun was for your own protection, is

A. No, I don't remember.

Q. Now, you said that you

didn't remember that.

A. That's right.

Q. Now, you say at that

interview you said there had been a recent

meeting of the Mafia at the Westbury Hotel,

and that the Mafia were planning to move into

Montreal, and you were opposed to the Mafia,

would you deny that?

A. I was opposed to the Mafia.

Q. Opposed to the Mafia. That was

--- yes



1 A. I am not opposed to nothing.

2 Q. You are not opposed to nothing.

3 Well, if they say you made those statements,
4 are you here swearing under oath you did not?

5 A. I said I am not opposing to
6 anybody moving any place. That I know.

7 Q. I am just merely asking you, if
8 they swear that is what you told them on that
9 occasion as being the reason why you were
10 in fear of your life, whether you are swearing
11 that you didn't make such a statement to them?

12 A. I don't remember making that
13 statement.

14 THE COMMISSIONER: Q. If they swear
15 you did, you won't deny it?

16 A. That's right.

17 MR. WILSON: Q. Now, if that swear
18 that at that particular meeting that you told
19 them that in 1954 you had a piece of the
20 Cooksville Club together with McDermott and
21 Feeley, Riggs, Midgely and Dann, would you
22 deny that?

23 A. I don't remember ever telling
24 anybody I had a piece of the Cooksville Club,
25 because I didn't have it.

26 Q. Well, if they say that you --
27 swear that you did make that statement, are
28 you swearing that you didn't?

29 A. I never had a piece of the Cooksville
30



A. I am not opposed to nothing.

A. You are not opposed to nothing.

Q. Well, if they say you made those statements,

Q. Did you ever make those statements?

A. I said I am not opposing to

Q. Did you ever make those statements?

A. I am just merely saying that, if

Q. They swear that is what you told them on that

occasion as being the reason why you were

Q. Did you ever make those statements?

Q. Did you didn't make such a statement to them?

A. I don't remember making that

statement.

Q. Did you ever make those statements?

Q. You said, you won't deny it?

A. That's right.

Q. Now, is that what

Q. That at that particular meeting that you told

them that in 1954 you had a piece of the

Goodwill Club together with Robert and

Peeler, Miss, Mabelly and Dunn, would you

deny that?

A. I don't remember ever talking

anybody I had a piece of the Goodwill Club,

because I didn't have it.

Q. Well, if they say that you --

Q. Would you ever make that statement, and

Q. Not swearing that you didn't?

A. I never had a piece of the Goodwill



1 Club.

2 THE COMMISSIONER: Q. Did you try to
3 get a piece of the Cooksville Club?

4 A. Who? Me? I wouldn't take a
5 piece if they give it to me.

6 Q. Did you ever try to get a piece
7 of it?

8 A. Get a piece? Are you kidding?

9 Q. You think that is funny?

10 A. I do. I wouldn't take it.

11 Q. Let me suggest something to you,
12 you might not think quite so funny. Do you
13 know Johnny Papalia?

14 A. I know of him.

15 Q. There is nothing funny about that?

16 A. I know of him.

17 Q. You know him, too, personally?

18 A. What do you mean, personally?

19 Q. You know him to speak to him?

20 A. I know him.

21 Q. To speak to him?

22 A. Not personally. He is no friend
23 of mine.

24 Q. You know him well enough to
25 talk to him?

26 A. I didn't say I know him well
27 enough to talk to him.

28 Q. Well, you did talk to him?

29 A. I didn't talk to him.

30



Class.

Q. Did you try to

get a piece of the candy?

A. Who? Not I wouldn't take a

piece if they gave it to me.

Q. Did you ever try to get a piece

of it?

A. Get a piece? Are you kidding?

Q. You think that is funny?

A. Yes, it is.

Q. Let me suggest something to you.

You might not think quite so funny. Do you

know Jimmy?

A. I know of him.

Q. There is nothing funny about him?

A. I know of him.

Q. Is he a very funny person?

A. What do you mean, personally?

Q. You know him to speak to him?

A. I know him.

Q. To speak to him?

A. Not personally. He is no friend

of mine.

Q. You would not talk to him?

Q. Talk to him?

A. I didn't say I know him well.

Q. You didn't say you didn't know him well.

A. Well, you did talk to him?

A. I didn't talk to him.



1 Q. You swear to that?

2 A. That's right. You mean, have
3 I spoke to him a year? I don't know what you
4 mean by that.

5 Q. You swear you never spoke to him?

6 A. Oh, yes, I have spoke to him.

7 Q. That is what I mean. You knew
8 him well enough for that purpose?

9 A. I know him well enough to stay
10 away from him. If that is what you mean.

11 Q. Yes, you didn't want any part
12 of him. He wasn't the kind of man you wanted
13 to get mixed up with?

14 A. I didn't want nothing to do with
15 him.

16 Q. You didn't want nothing to do
17 with him.

18 THE COMMISSIONER: All right, I interrupted
19 you.

20 MR. WILSON: Q. In 1954 or '55 did
21 Papalia, Zap and Baby Yaack try to rob you?

22 A. I don't know what you are talking
23 about. They never tried to rob me.

24 Q. That is your answer?

25 A. That's right.

26 THE COMMISSIONER: Q. Do you swear to
27 that?

28 A. They never tried to rob me.

29 Q. What did they try to do to you?
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Q. You swear to that?

A. That's right. You mean, have

I spoke to him a year? I don't know what you

mean by that.

Q. You swear you never spoke to him?

A. Yes, I never spoke to him.

Q. That is what I mean. You know

him well enough for that purpose?

A. I know him well enough to keep

away from him. If that is what you mean.

Q. Yes, you didn't want any part

of him. He wasn't the kind of man you wanted

to get mixed up with?

A. I didn't want nothing to do with

Q. You didn't want nothing to do

with him.

THE COMMISSIONER: All right, I understand

MR. WILSON: Q. In 1904 or '05 did

Reynolds, Trip and Kelly Yack try to rob you?

A. I don't know what you are talking

about. They never tried to rob me.

Q. That is your answer?

A. That's right.

MR. COMMISSIONER: Q. Do you swear to

that?

A. They never tried to rob me.

Q. What did they try to do to you?



1 A. Yack, Yack never tried to do
2 anything to me.

3 Q. Paplia, Yack and Johnny Zap?

4 A. No.

5 Q. They didn't try to do anything
6 to you?

7 A. No, no, they didn't.

8 Q. You are sure of that?

9 A. Positive.

10 THE COMMISSIONER: I see.

11 MR. WILSON: Q. Do you know a man named
12 ~~Chicchini~~ Chiccini? Chiccini? Chiccini?
13 My pronunciation is not too good.

14 A. Chiccini?

15 Q. Do you know anything about him,
16 Nick Chiccini?

17 A. Where is he from, Toronto?

18 THE COMMISSIONER: Q. Do you know a
19 man by that name?

20 A. I don't know a man like that.

21 MR. WILSON: Q. Now, there was an
22 attack on you ---

23 THE COMMISSIONER: Well, are you coming
24 to that now? There are other matters I would
25 like to know about.

26 MR. WILSON: I would like to direct
27 my attention to other matters. I have a number
28 of things I have to deal with before I finish.

29 THE COMMISSIONER: I don't want to get
30



A. Yes, I have never tried to do

anything to me.

Q. Yes, I have never tried to do

A. No.

Q. They didn't try to do anything

to you?

A. No, no, they didn't.

Q. Yes, I have never tried to do

A. Yes, I have never tried to do

Q. Yes, I have never tried to do

MR. WILSON: Q. Do you know a man named

MR. WILSON: Q. Do you know a man named

MR. WILSON: Q. Do you know a man named

A. Yes, I have never tried to do

Q. Do you know anything about him?

MR. WILSON: Q. Do you know anything about him?

A. Where is he from, Toronto?

THE COMMISSIONER: Q. Do you know a

man by that name?

A. I don't know a man like that.

MR. WILSON: Q. Now, where was he

born or did he live?

THE COMMISSIONER: Well, are you coming

to that now? There are other matters I would

like to know about.

MR. WILSON: I would like to know

my attention to other matters. I have a number

of things I have to deal with before I return.

THE COMMISSIONER: I don't want to get



1 your lines crossed.

2 MR. WILSON: That is quite all right,
3 I can change.

4 THE COMMISSIONER: You were at a meeting
5 at the Westbury Hotel in January, 1958, were
6 you not?

7 A. Never.

8 Q. Pardon?

9 A. Never.

10 Q. Did you tell Mr. Thurston that
11 you were?

12 A. No ---

13 Q. Listen to me, please, before you
14 say you don't remember. Did you tell him you
15 were at a meeting at the Westbury Hotel in
16 January, 1958?

17 A. I don't ever remember telling
18 him I was ever at any meeting.

19 Q. I see. And at that meeting there
20 ~~was~~ were a number of the Mafia from New York,
21 Montreal, Hamilton and Buffalo, and a big
22 wheel from California. Now, does that jog
23 your memory a bit? Did you tell that to Mr.
24 Thurston?

25 A. No, I didn't.

26 Q. You swear?

27 A. That is right. I don't remember
28 telling him anything like that.

29 Q. Did you discuss a meeting at the
30



Your name entered.

MR. WATSON: That is quite all right.

I am sorry.

THE CHAIRMAN: You were at a meeting

at the Westbury Hotel in January, 1950, were

you not?

A. Never.

Q.

A. Never.

Q. Did you tell Mr. Winston that

you were?

A. No --

Q. I asked to see, please, before you

saw that don't remember. Did you tell him you

were at a meeting at the Westbury Hotel in

January, 1950?

A. I don't ever remember telling

anybody that I was at that meeting.

Q. I see. And at that meeting there

was a number of the Mafia from New York,

including, Hamilton and Ruffalo, and a Sic

which from Baltimore. Now, does that

your memory a bit? Did you tell that to Mr.

Winston?

A. No, I didn't.

Q.

A. That is right. I don't remember

telling him anything like that.

Q. Did you discuss a meeting at the



1 Westbury Hotel with Mr. Thurston?

2 A. I may have discussed that with
3 him.

4 Q. Discussed a meeting at the
5 Westbury Hotel. And you are on your oath,
6 again.

7 A. I don't remember anything like
8 that.

9 Q. You don't remember anything like
10 that. And if he swears that you did, you
11 will not deny it?

12 A. Well, if I told him that I was
13 lying.

14 Q. You were lying?

15 A. If I told him that.

16 Q. You wouldn't lie, would you?
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A. I may have discussed that with

him.

Q. Did you discuss it with

Wendell Baker. And you are on your own,

right?

A. I don't remember saying that

that.

Q. The last time you saw him

that. And he says that you did, you

did not say it.

A. Well, if I told him that I was

lying.

Q. You were lying?

A. I told him that.

Q. You wouldn't lie, would you?

(Voice of the witness)



BB/5

1 A. Not under oath I won't. But if I
2 told him that I was lying, because there was
3 no such meeting.
4 Q. Oh. Why would you lie to him?
5 A. How do I know?
6 Q. Pardon?
7 A. How do I know? If he says I said
8 it I am not going to contradict it.
9 Q. If he says you told him that
10 story you are not going to contradict him?
11 A. No.
12 Q. No.
13 A. And I don't remember telling him
14 anything like that.
15 Q. Will you deny you told him anything
16 like that?
17 A. I don't remember telling him
18 anything like that.
19 Q. And if you did tell him anything
20 like that you say you lied to him?
21 A. That is right.
22 Q. Why would you lie to him?
23 A. I don't remember telling him.
24 Q. Why would you lie to Mr. Thurston?
25 A. If he says I said it I must have
26 lied, because I don't remember telling him.
27 Q. Do you know anything about
28 Papalia trying to horn in on the Centre Road
29 Club?
30



A. Not under oath I won't. But if I

that this was a very large, very large

very large

Q. Why would you like to know

A. How do I know?

A. I don't

A. How do I know? It is hard I said

is I am not going to contradict it.

Q. It is hard to say that

every one is not going to contradict him?

A. No.

A. No.

A. And I don't remember telling him

anything like that.

A. I don't remember telling him

like that?

A. I don't remember telling him

anything like that.

Q. And if you did tell him anything

like that you say you lied to him?

A. That is right.

Q. Why would you like to know

A. I don't remember telling him.

Q. Why would you like to know, Thompson?

A. It is hard I said as I must have

lied, because I don't remember telling him.

Q. Do you know anything about

Thompson saying to him in on the same road?

about



1 A. I don't know anything about---

2 Q. You don't know anything about that?

3 A. Nothing.

4 Q. You don't know Nick Chechinni?

5 A. I never heard of Nick Chechinni.

6 Q. Do you know a man called Sylvestro
7 in Hamilton?

8 A. Yes, I know a Sylvestro family
9 in Hamilton.

10 Q. Yes. What member of the family
11 do you know?

12 A. He is dead.

13 Q. What was his name?

14 A. Frank Sylvestro.

15 Q. What was his business?

16 A. I think he was in the olive oil
17 business. I am not sure.

18 Q. Olive oil business. Do you know
19 whether he was a friend of Papalia's?

20 A. No, he wasn't -- Papalia wasn't
21 born, Papalia wasn't even born then.

22 Q. Oh. Maybe we are talking about
23 different Sylvestros. Do you know a Sylvestro
24 in Hamilton who was a friend of Papalia's?

25 A. No, I don't know a Sylvestro who
26 was a friend of Papalia.

27 THE COMMISSIONER: I see. All right.

28 MR. WILSON: Q. Do you recall being
29 interviewed by Pierre Burton?
30



Q. I want to ask you something more --
A. You don't know anything about that?
Q. I don't know anything about that.
A. You don't know Nick Greenblatt?
A. I never heard of Nick Greenblatt.
Q. Do you know a man called Sylvester
in Hamilton?
A. Yes, I know a Sylvester family
in Hamilton.
Q. Yes, what member of the family
do you know?
A. He is dead.
Q. What was his name?
A. I don't know.
Q. What was his business?
A. I think he was in the olive oil
business. I am not sure.
Q. Olive oil business. Do you know
whether he was a friend of Papalia's?
A. No, he wasn't -- Papalia wasn't
born, Papalia wasn't even born then.
Q. I don't know what year that was.
A. Do you know a Sylvester
in Hamilton who was a friend of Papalia's?
Q. I don't know.
A. Was a friend of Papalia's.
THE COURT: I see. All right.
MR. WILSON: Yes. Do you recall being



1 A. Yes, I do.

2 Q. Do you recall saying something to
3 him about Americans coming into Ontario?

4 A. Never said it.

5 Q. Did he ask you as to whether or not
6 any outside people were trying to get into the
7 gambling business in Ontario?

8 A. I don't think he asked me that.

9 Q. What did he ask you?

10 A. Didn't ask me. I told him the
11 story.

12 Q. All right, tell us what you told
13 him.

14 THE COMMISSIONER: Just a moment. I want
15 to get the answer. Mr. Reporter, would you
16 read that answer back?

17 THE REPORTER: "Q. Do you recall being
18 "interviewed by Pierre Burton?

19 "A. Yes, I do.

20 "Q. Do you recall saying something
21 "to him about Americans coming into
22 "Ontario?

23 "A. Never said it.

24 "Q. Did he ask you as to whether
25 "or not any outside people were trying
26 "to get into the gambling business in
27 "Ontario?

28 "A. I don't think he asked me that.

29 "Q. What did he ask you?
30



A. Yes, I do.

Q. Do you recall saying something to

him about Americans coming into Ontario?

A. Yes, I do.

Q. And he was saying to you that the

gambling business in Ontario

A. I don't think he asked me that.

Q. Did he ask you that?

A. Didn't ask me, I told him the

Q. All right, tell us what you told

THE COMMISSIONER: Just a moment, I want

to get the answer. Mr. Reporter, would you

pose that answer back?

THE REPORTER: "Q. Do you recall being

"Interviewed by Pierre Berton

A. Yes, I do.

Q. Do you recall saying something

to him about Americans coming into

Ontario?

A. Never said it.

Q. Did he ask you as to whether

or not any outside people were entering

to get into the gambling business in

Ontario?

A. I don't think he asked me that.

Q. What did he ask you?



1 "A. Didn't ask me. I told him the
2 "story.

3 "Q. All right, tell us what you
4 "told him."

5 THE COMMISSIONER: All right. Then, what?

6 A. I told him I went into the Town
7 Tavern and had some drinks. I was going out,
8 I got hit on the head. There was a hundred
9 people there and nobody saw it. That is
10 what I told Pierre Burton.

11 Q. Is that all?

12 A. That is the best of my memory.

13 THE COMMISSIONER: Put it to him
14 specifically.

15 MR. WILSON: Q. Are you swearing that
16 you did not say anything about outsiders, whether
17 they be American or others, trying to muscle
18 in on the gambling operations in this area?

19 A. I don't think I said it.

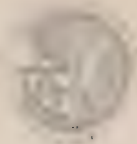
20 Q. You don't think you said it?

21 A. That is right.

22 THE COMMISSIONER: If Mr. Burton swears
23 that you did, would you deny it?

24 A. I wouldn't deny it. If he says
25 I said it, I must have said it. But I don't
26 remember. After all, I wasn't in too good
27 shape when I was talking to Mr. Burton. And
28 I am not in too good shape right now.

29 Q. You are doing pretty well right
30



A. I don't know, I don't know.

Q. Every.

A. I don't know, I don't know.

Q. I don't know.

A. I don't know, I don't know.

A. I don't know, I don't know.

A. I don't know, I don't know.

A. I don't know, I don't know.

A. I don't know, I don't know.

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A. I don't know, I don't know.

A. I don't know, I don't know.

A. I don't know, I don't know.

A. I don't know, I don't know.



1 now.

2 A. Never judge a book by its cover.

3 MR. WILSON: Q. You were the one
4 hundredth and one person who was in the Town
5 Tavern on this occasion when you were hit,
6 as you say. Did you see who hit you?

7 A. No, sir.

8 Q. You had no idea at the time as
9 to who hit you?

10 A. You asked me if I saw who hit me.
11 I said, "No, sir."

12 Q. Have you learned later who hit
13 you?

14 A. I don't know who hit me.

15 Q. Do you know who went to jail
16 for hitting you?

17 A. Papalia and Marchildon. And
18 that is it.

19 THE COMMISSIONER: No, no.

20 MR. WILSON: He is right, Gabourie got
21 off on appeal.

22 THE COMMISSIONER: That is right, there
23 were five convicted.

24 MR. WILSON: Four charged.

25 Q. What was the dispute between
26 yourself and those men that gave rise to that
27 attack?

28 A. What dispute?

29 Q. What gave rise to the attack?
30



now.

A. Never judge a book by its cover.

MR. WILSON: Q. You were the one

handed out one person who was in the town

Tavern on this occasion when you were here,

as you say. Did you see who hit you?

A. No, sir.

Q. You had no idea at the time as

to whom it was

A. You asked me if I saw who hit me.

I said, "No, sir."

Q. Have you learned later who hit

you?

A. I don't know who hit me.

Q. Do you know who went to jail?

MR. WILSON: A. Yes.

A. Repulse and Hamilton. And

there is it.

THE COURT: No, no.

MR. WILSON: He is right, gentlemen; you

all on appeal.

THE COURT: Yes, it is, gentlemen.

THE COURT: Yes.

MR. WILSON: Your object.

Q. What was the dispute between

yourself and those men when you were there to take

possession?

A. Yes, sir.

Q. What was the dispute?



1 A. I don't know.

2 Q. Had you any difference of opinion
3 with them or their employers?

4 A. Difference of opinion?

5 Q. Yes.

6 A. What difference of opinion would I
7 have with them kind of people?

8 Q. Who were they representing?

9 A. Do I know? I don't know who they
10 are or what they were doing. I am not a
11 policeman, I don't follow people around to
12 see what they are doing. I have enough to do
13 to mind my own business.

14 Q. Prior to that attack on you in
15 the Town Tavern had you ever had any outsider
16 trying to muscle in on any of your operations,
17 or gambling operations?

18 A. Nobody could muscle in on me
19 because I wouldn't give anybody anything.

20 Q. Did anybody ask you for a piece
21 of your operation, which you refused?

22 A. Nobody asked me for anything.

23 Q. So that this was just an unexplained,
24 unexplainable attack on yourself, from the
25 way you give your evidence to-day?

26 A. I never said at any time who
27 hit me. I don't know who hit me.

28 Q. You have no explanation as to why
29 anybody would want them to hit you?
30



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I am sure to sympathize with you. A

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A. Do I know? I don't know who they

one of what they were doing. I had not a

of the same village, I have

see what they are doing. I have enough to do

[illegible]

14. Boston to West Haven on Nov 11

old must prove his own good and able to do

nothing to report in or any of your operations.

ГЕОЛІЗВ'ЯГО ЗНАЛ. СМІЯ TO

4. Nobody could manage to out me

became I couldn't give anybody any thing.

Q. Did anybody else get for a piece

To you, too, when you follow, will be

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THE NEW YORK PUBLIC LIBRARY
ASTOR LENOX TILDEN FOUNDATION
455 FIFTH AVENUE
NEW YORK 17, N. Y.

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9. You have no explanation as to why



1 A. No, I don't know why.

2
3 (page 12375 follows)



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THE COMMISSIONER: Q. Are you swearing to that?

A. I don't know why. I don't.

MR. WILSON: Q. You say that nobody had ever tried to muscle in on your operations and been refused?

A. I don't follow you, by "operations". What kind of "operations"?

THE COMMISSIONER: Q. Gambling operations?

MR. WILSON: Q. What do you call them?

A. Nobody tried to muscle me in.

Q. Did nobody try to muscle in, to use your language, on your stag floating crap game?

A. Nobody tried to muscle me.

Q. What do you mean by "muscle", just so we will understand.

A. Go to work for them.

Q. Could not it also include taking a piece?

A. There's no such thing as taking a piece; go to work.

Q. There is no such thing?

A. No.

Q. Did anybody try to take over any of your gambling enterprises?

A. No, nobody bothered me.

Q. Nobody bothered you?

A. No.



100-100000

THE COMMISSIONER OF THE BUREAU OF PRISONS

100-100000

Q. Did you see any other people there?

A. Yes, I saw a man named Wilson.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.

Q. Did you see him in the same place as you saw the other man?

A. Yes, he was there.



1 Q. To your knowledge was there any
2 so-called gambling syndicates in the Toronto
3 area?

4 A. I know of nothing.

5 Q. Would you call your operations a
6 syndicate?

7 A. A syndicate?

8 Q. Well, did anybody else have --
9 involve getting anything from you, a wage from
10 you?

11 A. It would be a big syndicate,
12 Schmaltzie and I.

13 Q. You two were the syndicate?

14 A. Yes.

15 THE COMMISSIONER: Q. You made a lot of
16 money?

17 A. Who made a lot of money?

18 Q. You.

19 A. Are you telling me I made a lot
20 of money?

21 Q. Yes.

22 A. Well, where is it?

23 Q. You tell me.

24 A. No, I don't know of no syndicates
25 in Toronto. You couldn't operate in Toronto.

26 MR. WILSON: Q. Did you ever have
27 any difficulties with the McDermott, Feeley,
28 Riggs, Midgely operation?

29 A. No, I never had no trouble with them.
30



Q. To your knowledge was there in
so-called gambling syndicates in the Toronto

A. I know of nothing.

Q. Would you call your operation a

A. A syndicate?

Q. Well, did anybody else have --

Q.?

A. It would be a big syndicate.

Q. You saw the syndicate?

A. Yes.

THE COMMISSIONER: Q. You made a lot of

A. Who made a lot of money?

Q. Yes.

A. Are you telling me I made a lot

of money?

A. Yes.

A. Well, where is it?

Q. You tell me.

A. No, I don't know of no syndicates

in Toronto. You couldn't operate in Toronto.

THE WITNESS: Q. Did you ever have

any difficulties with the syndicates, too?

A. No, I never had no trouble with them.



1 I didn't even know they existed.

2 Q. You really did not -- After
3 you got away from Queen Street you did not
4 get around much.

5 A. I never look in the other fellow's
6 pot to see what is cooking; I look in my
7 own pot.

8 Q. You knew they had a pot cooking?

9 A. Good luck to them. It's none
10 of my business what they are doing.

11 Q. Were there any Americans operating
12 any gambling games around Toronto in the last
13 ten years?

14 A. Not to my knowledge; I never
15 heard of it.

16 Q. Never heard of it. Do you
17 recall that the magistrate who presided over
18 your trial when you were convicted in
19 December the 14th, 1960, was Magistrate Addison?

20 A. That is right.

21 Q. And he has given evidence here
22 to the effect that while those proceedings
23 were pending he had a call from someone whose
24 voice he identified as yours. Did you call
25 Magistrate Addison?

26 A. Definitely not.

27 Q. And so that you are swearing,
28 I take it, that in his evidence where he has
29 said he identified your voice, that he is wrong?
30



Q. You really did not -- A. Yes.
You got away from Queen Street you did not
get around much.

A. I never took any more pictures
got to see what he was doing; I look in my
own eyes.

Q. You know they had a lot of pictures
A. Good luck to them. It's none
of my business what they are doing.

Q. Now I think you saw some pictures
any pictures taken around Toronto in the last
ten years?

A. Not to my knowledge; I never
heard of it.

Q. Never heard of it. Do you
recall that the magazine who provided over
your trial when you were convicted in

A. That is right.
Q. And he has given evidence here

in the trial when he was convicted in
were pending he had a call from someone whose
voice he identified as yours. Did you call

Magistrate Robinson?
A. Certainly not.

Q. Now I think you saw some pictures
I took it, now in his evidence where he has
could he identify your voice, that he is wrong?



1 A. Definitely so.

2 Q. And that is in error?

3 A. There is no doubt.

4 Q. Did you have any knowledge of

5 any person calling Magistrate Addison pending

6 the hearing of your case?

7 A. Definitely not.

8 MR. WILSON: Now, Mr. Commissioner, I

9 think if we could have an adjournment --

10 THE COMMISSIONER: I am going to adjourn

11 in a few minutes, anyhow.

12 MR. WILSON: I just wanted to see if

13 there was anything I wanted to clear up.

14 THE COMMISSIONER: I will give you leave

15 to name, I suggest, Simone to him.

16 MR. WILSON: Q. Do you know Dominic

17 Simone?

18 A. Yes.

19 Q. Did you ever have any dealings

20 with Dominic Simone?

21 A. Never in my life.

22 Q. Did you have any interest in the

23 Lorelei Club?

24 A. Never had any business with

25 Simone in my life.

26 Q. I am asking you --

27 A. Well, I am answering you.

28 Q. The Polo Club in Niagara Falls?

29 A. I never had any business with

30



A. Definitely not.

Q. And what is in error?

A. There is no doubt.

Q. Did you have any knowledge of

any person calling the telephone number pending

the hearing of your case?

A. Definitely not.

Q. Now, Mr. Commissioner, I

think we could have an adjournment --

THE COMMISSIONER: I am going to adjourn

in a few minutes, anyhow.

Q. Now, I just wanted to see if

there was anything I wanted to clear up.

THE COMMISSIONER: I will give you leave

to leave, I suggest, strong to him.

Q. Now, I am going to ask you

any more?

A. Yes.

Q. Did you ever have any dealings

with anyone named

A. Never in my life.

Q. Did you have any interest in the

Hotel Club?

A. Never had any business with

anyone in my life.

Q. I am asking you --

A. Well, I am answering you.

Q. The Hotel Club in New York City?

A. I never had any business with



1 Simone in my life.

2 Q. Did you ever have any interest
3 in the Polo Club of Windsor, situated in
4 Niagara Falls?

5 A. In Windsor?

6 Q. No, it was called the Polo Club
7 of Windsor, situated in Niagara Falls.

8 A. I have been to a club in Niagara
9 Falls but I don't know the name.

10 Q. Did you have any interest in it?

11 A. I have shot dice in Niagara
12 Falls but I don't know the name of the club
13 you are referring to.

14 THE COMMISSIONER: Q. Which one are
15 you referring to?

16 A. I don't know.

17 Q. Where was the one you were in?

18 A. In Niagara Falls. I haven't been
19 there for twelve years, thirteen years, maybe
20 fourteen years. I don't know exactly. I
21 know I haven't been there since I came back
22 from Rochester, Minnesota.

23 Q. Did you serve time in Rochester,
24 Minnesota?

25 A. No, I was there for surgery.

26 MR. WILSON: I think that is all for
27 the moment.

28 THE COMMISSIONER: Well, I have an
29 appointment at four o'clock.
30



known in my life.

Q. Did you ever have any interest

in the Polo Club of Windsor, situated in

Windsor, Ontario?

Q. No, it was called the Polo Club

of Windsor, situated in Windsor, Ontario.

A. I have been to a club in Windsor

but I don't know the name.

Q. Did you have any interest in it?

A. I have been once in Windsor

but I don't know the name of the club.

You are referring to.

THE COMMISSIONER: Q. Which one are

A. I don't know.

Q. There was the one you were in?

A. In Windsor, Ontario. I haven't been

there for twelve years, thirteen years, maybe

fourteen years. I don't know exactly. I

know I haven't been there since I came back

from Rochester, Minnesota.

Q. And you serve time in Rochester,

Minnesota?

A. No, I was there for a while.

Q. Witness: I think that is all.

The witness.

THE COMMISSIONER: Well, I have no



1 Have you some questions you want to
2 ask this witness?

3 MR. ESTEY: I may turn out to be some
4 time, your lordship.

5 THE COMMISSIONER: I will rise until
6 ten o'clock tomorrow morning.

7 Q. You be back here at ten o'clock
8 tomorrow morning.

9
10 ---Whereupon the hearing adjourned at 3:55
11 o'clock p.m. on Wednesday, 10th October, 1962,
12 until 10:00 o'clock a.m. on Thursday, 11th
13 October, 1962.
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Have you some questions you want to

ask this afternoon?

MR. BERRY: I may turn out to be some

time, but I don't know.

THE CHAIRMAN: I will also write

ten o'clock tomorrow morning.

Q. You be back here at ten o'clock

tomorrow morning.

—The following is the list of names of the
witnesses who have been called to the stand
on Thursday, June 10, 1964.
—The following is the list of names of the
witnesses who have been called to the stand
on Thursday, June 10, 1964.

62

VOLUME NO.....

ROYAL COMMISSION

ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

Date..Thursday.Oct.11/62.

pp 12381 -- 12535.



Supreme Court Reporters
145 Yonge St.
Toronto



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292	12427	Copy of income tax return of Max Bluestein for the year 1959
293	12428	Copy of income tax return of Max Bluestein for the year 1960



RECEIPTS

1890	Jan 1	To Balance	100.00
1890	Feb 1	To Cash	50.00
1890	Mar 1	To Cash	25.00
1890	Apr 1	To Cash	10.00
1890	May 1	To Cash	5.00
1890	Jun 1	To Cash	2.50
1890	Jul 1	To Cash	1.25
1890	Aug 1	To Cash	.62
1890	Sep 1	To Cash	.31
1890	Oct 1	To Cash	.16
1890	Nov 1	To Cash	.08
1890	Dec 1	To Cash	.04
1890	Total		200.00

1890	Jan 1	To Cash	100.00
1890	Feb 1	To Cash	50.00
1890	Mar 1	To Cash	25.00
1890	Apr 1	To Cash	10.00
1890	May 1	To Cash	5.00
1890	Jun 1	To Cash	2.50
1890	Jul 1	To Cash	1.25
1890	Aug 1	To Cash	.62
1890	Sep 1	To Cash	.31
1890	Oct 1	To Cash	.16
1890	Nov 1	To Cash	.08
1890	Dec 1	To Cash	.04
1890	Total		200.00

RECEIPTS

1890	Jan 1	To Balance	100.00
1890	Feb 1	To Cash	50.00
1890	Mar 1	To Cash	25.00
1890	Apr 1	To Cash	10.00
1890	May 1	To Cash	5.00
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1890	Aug 1	To Cash	.62
1890	Sep 1	To Cash	.31
1890	Oct 1	To Cash	.16
1890	Nov 1	To Cash	.08
1890	Dec 1	To Cash	.04
1890	Total		200.00

1890	Jan 1	To Cash	100.00
1890	Feb 1	To Cash	50.00
1890	Mar 1	To Cash	25.00
1890	Apr 1	To Cash	10.00
1890	May 1	To Cash	5.00
1890	Jun 1	To Cash	2.50
1890	Jul 1	To Cash	1.25
1890	Aug 1	To Cash	.62
1890	Sep 1	To Cash	.31
1890	Oct 1	To Cash	.16
1890	Nov 1	To Cash	.08
1890	Dec 1	To Cash	.04
1890	Total		200.00



A/1/UC

THURSDAY, OCTOBER 11, 1952

---On resuming at 10:30 o'clock a.m.

MR. WILSON: Call Mr. Bluestein.

MAX BLUESTEIN, resumes the stand

THE COMMISSIONER: You are still under oath, Mr. Bluestein.

EXAMINED BY MR. WILSON:

Q. Yesterday ---

A. Excuse me. Could I say something, your lordship?

THE COMMISSIONER: Yes.

A. I don't think I can take this any longer. Look at this. This is the stuff I have had all the time since I got hit on the head.

THE COMMISSIONER: Q. I saw it this morning.

A. I want you to do something. I have had them on my back all the time. What have I done to deserve this? What have I done, then to frame me like this? To set me up like this.

THE COMMISSIONER: I saw that this morning. All right, go ahead, Mr. Wilson.

THE WITNESS: What are we going to do about this? You saw it this morning. I haven't



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1 help from anybody. I am fighting the whole
2 world. I got the press against me all the time.
3 I don't know why. I don't know what's behind
4 it.

5 Here is my accountant's card, the one
6 I didn't have yesterday. I have it now.

7 THE COMMISSIONER: I did not know how
8 to spell it. C-e-r-e-s-n-e. Business
9 telephone 363-5093.

10 THE WITNESS: That's right.

11 THE COMMISSIONER: Thank you.

12 MR. WILSON: Q. Yesterday at page 12343 ---

13 THE COMMISSIONER: Let me see the
14 transcript of yesterday's proceedings. Page
15 what?

16 MR. WILSON: 12343.

17 THE COMMISSIONER: Yes.

18 MR. WILSON: Q. I asked you about the
19 profits you had made in your gambling operations
20 up to the time you were arrested in 1960. And
21 at the top of page 12344, you said:

22 "A. Profit?

23 "Q. Yes.

24 "A. I made no money."

25 Now, in view of the fact that you were
26 convicted on December 14th, 1960, I just want
27 to be clear about the whole of the year 1960,
28 and ask you now whether or not you made any
29 profit on your gambling operations in the year
30



I am very sorry to hear
that you are not well. I hope
you will soon be better.

I am very sorry to hear
that you are not well. I hope
you will soon be better.

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that you are not well. I hope
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I am very sorry to hear
that you are not well. I hope
you will soon be better.



1 1960?

2 A. I believe the answer was what
3 I made in Lakeview Club, and I said I made no
4 money in the Lakeview Club. I believe that
5 was the answer. And that was your question,
6 and that was my answer. I didn't make no
7 money in the Lakeview Club.

8 Q. There was something said about
9 the Lakeview Club, and I don't want to have
10 any p--

11 A. May I have a chair, please?

12 Q. Listen to my question.

13 A. May I have a chair?

14 THE COMMISSIONER: Do you not feel well?

15 A. I don't feel too good.

16 THE COMMISSIONER: Have him sit down.

17 MR. WILSON: Q. Now, let's understand
18 each other about this. I am asking you to
19 tell me what profits you made from all your
20 gambling operations, your professional gambling
21 operations, as you sometimes call them, in
22 the year 1960?

23 A. I don't remember. I think you
24 would get it from the Income Tax Department.

25 Q. Well, you made the answer yesterday
26 that you made no money up to the time of your
27 arrest.

28 A. If I recall correctly, I thought
29 you were referring to the Lakeview Club. I could
30



1876

I have been thinking of you very much lately.

I hope you are well and happy, and I am sure you are.

I have been thinking of you very much lately.

I hope you are well and happy, and I am sure you are.

I have been thinking of you very much lately.

I hope you are well and happy, and I am sure you are.

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I have been thinking of you very much lately.

I hope you are well and happy, and I am sure you are.

I have been thinking of you very much lately.

I hope you are well and happy, and I am sure you are.



1 be mistaken. I am not sure.

2 THE COMMISSIONER: Just read him his
3 evidence, Mr. Wilson. Go back and get the
4 continuity of it. Start at the top of page
5 12343.

6 MR. WILSON: Q. I was asking him how
7 he arrived at the figure he put in his income
8 tax return as being income from gambling. And
9 that is what I now want you to tell me. First
10 of all, what income you had from gambling in
11 1960?

12 A. I think you will get it from
13 the Income Tax Department. They could help
14 you much better than I could.

15 THE COMMISSIONER: Q. He is asking you.

16 A. I don't remember.

17 Q. You said yesterday you had no
18 profit from gambling?

19 A. I misunderstood him. I thought
20 the gentleman was asking me what I made in the
21 Lakeview Club.

22 Q. Well, he was not.

23 A. I misunderstood him. There is
24 nothing wrong with that.

25 THE COMMISSIONER: Start at the top of
26 page 12343.

27 MR. WILSON: (Reading):

28 "THE COMMISSIONER: You wrote down
29 "on a piece of paper?"
30



the following: 1. The first...

the second: 2. The second...

the third: 3. The third...

the fourth: 4. The fourth...

the fifth: 5. The fifth...

the sixth: 6. The sixth...

the seventh: 7. The seventh...

the eighth: 8. The eighth...

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the tenth: 10. The tenth...

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the nineteenth: 19. The nineteenth...

the twentieth: 20. The twentieth...

the twenty-first: 21. The twenty-first...

the twenty-second: 22. The twenty-second...

the twenty-third: 23. The twenty-third...

the twenty-fourth: 24. The twenty-fourth...

the twenty-fifth: 25. The twenty-fifth...



1 THE COMMISSIONER: You should listen to
2 this.

3 MR. WILSON: (Reading):

4 "A. That is right. Every day

5 "I would change the figure.

6 "Q. The same piece of paper?

7 "A. No, I wouldn't have the same
8 "piece of paper.

9 "Q. Okay. Then what did you do
10 "with the paper eventually?

11 "A. After I paid my tax, I would
12 "destroy it. All I would have is
13 "a figure, a bottom figure. That is
14 "all I would have on it.

15 "Q. I see. And then when the
16 "auditor made up your --

17 "A. I would give him the figure
18 "and he would just make it up from
19 "what I told him.

20 "Q. He had to rely on you?

21 "A. That is right.

22 "MR. WILSON: Q. What method did
23 "you adopt in determining what your
24 "profits were in any given year on
25 "your gambling operation?"

26 THE COMMISSIONER: Pay attention to that
27 question.

28 MR. WILSON: (Reading):

29 "A. What I made.
30



THE 21ST CENTURY YOUNG MAN

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THE 21ST CENTURY YOUNG MAN



1 "Q. Yes. But how did you

2 "arrive at what you made?

3 "A. I got a figure for it.

4 "I know how much I made.

5 "Q. I see. Then, at the end

6 "of 1960, up to the time you were

7 "arrested, what profit did you have

8 "for the year up to that time?

9 "A. Profit?

10 "Q. Yes.

11 "A. I made no money."

12 Now, you heard ---

13 A. I am telling you again that I
14 thought you were referring to the Lakeview
15 Club. Now, is that definite enough? I made
16 no money in the Lakeview Club in 1960.

17 THE COMMISSIONER: Q. Did you make any
18 any
19 money in other place?

20 A. Yes, I made money.

21 Q. How much?

22 A. I don't know. The income tax
23 has got the figure. I haven't got the figure.

24 Q. No, no, you tell me how much
25 you made.

26 A. I don't know how much I made.

27 Q. Would it be \$20,000?

28 A. I haven't got a clue. You are
29 trying to put me up against the wall, something
30 I don't remember. But you want the truth, I



I have been thinking about you a great deal lately, and wondering how you are getting on. I hope you are well and happy. I am still the same old me, but I have learned a few things along the way. Life is full of surprises, and I try to embrace them all. I would love to hear from you soon.

Your friend,
John Doe



1 am under oath. I am telling you the truth, I
2 don't know.

3 Q. Would it be as much as \$30,000?

4 A. I don't know. I haven't got a
5 clue. I don't remember.

6 Q. Where did you do your banking in
7 1960? Did you hear me?

8 A. I am trying to think. I believe
9 I did at Richmond and Yonge.

10 Q. Any place else?

11 A. That is the only place I can
12 remember.

13 Q. Was the account in the bank at
14 Richmond and Yonge in your name?

15 A. That's right.

16 Q. Have you an account there in
17 anybody else's name?

18 A. No, I haven't.

19 Q. Had you in 1960?

20 A. No, I didn't.

21 Q. Did you have an account in any
22 bank in 1960, in anybody else's name?

23 A. No, I don't remember.

24 Q. Pardon?

25 A. No, I don't believe I did.

26 Q. You don't believe you did?

27 A. No.

28 Q. Well, if you did you would remember
29 it?
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1 A. Perhaps I would, perhaps I
2 wouldn't.

3 Q. Well, was it customary for you
4 to have a bank account in somebody else's name?

5 A. I don't remember.

6 Q. I say, was it customary for you
7 to do it?

8 A. I don't remember if I did or not.

9 Q. I am not asking you whether you
10 had, was it the practice for you to adopt?

11 A. I don't know what practice means.

12 Q. Now, you are not that stupid.

13 A. I don't know what you mean.

14 Q. Well, let me see if I can get
15 some other language. Were you in the habit
16 from time to time of having a bank account in
17 somebody else's name?

18 A. Well, I was in the habit ---

19 Q. Speak up.

20 A. No, I wasn't.

21 THE COMMISSIONER: Can you gentlemen
22 hear his answers?

23 Q. They can't hear you, Mr. Bluestein,
24 you will have to speak up.

25 A. No, I wasn't, sir.

26 Q. You did not at any time have a
27 bank account in anybody else's name?

28 A. I may have.

29 Q. Where was it?
30



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I am very glad to hear of your success.

With best wishes to all.

I am very glad to hear of your success.

With best wishes to all.

I am very glad to hear of your success.

With best wishes to all.

I am very glad to hear of your success.

With best wishes to all.

I am very glad to hear of your success.

With best wishes to all.

I am very glad to hear of your success.

With best wishes to all.

I am very glad to hear of your success.

With best wishes to all.

I am very glad to hear of your success.

With best wishes to all.



1 A. I don't remember, if I had one or
2 not.

3 Q. Whose name was it in?

4 A. I said I don't remember if I had
5 one or not.

6 Q. Is that your oath?

7 A. My oath is that I never traded
8 in any other bank, in and out. I don't know,
9 I may have had a bank account, or I may not.
10 You are asking me if I was putting money into
11 the bank or having accounts in another bank.
12 I have had no accounts.

13 Q. I wasn't asking that at all. I
14 was directing your attention to whether you
15 had money in the bank in somebody else's name.

16 A. I may have or I may not. I am
17 not sure.

18 Q. What bank was it?

19 A. What bank was?

20 Q. Where you may or may not have had
21 money.

22 A. I don't know. I don't know whether
23 I had one or not.

24 Q. Is that your oath?

25 A. I don't remember. That is right.
26 That is my oath, I don't remember.

27 THE COMMISSIONER: You don't remember.

28 MR. WILSON: Q. Last year, which would
29 be '61, what income did you have from gambling?
30

1. The first part of the document is a list of names and addresses, which are arranged in two columns. The names are written in a cursive script, and the addresses are written in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown", along with their respective addresses in various cities and states.

2. The second part of the document is a series of numbered entries, each consisting of a name followed by a description of a property or item. The entries are numbered from 1 to 10, and the descriptions are written in a cursive script. The items include "A small house", "A large lot", and "A piece of land", among others.

3. The third part of the document is a list of names and addresses, similar to the first part, but arranged in a different order. The names are written in a cursive script, and the addresses are written in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown", along with their respective addresses in various cities and states.

4. The fourth part of the document is a series of numbered entries, each consisting of a name followed by a description of a property or item. The entries are numbered from 1 to 10, and the descriptions are written in a cursive script. The items include "A small house", "A large lot", and "A piece of land", among others.

5. The fifth part of the document is a list of names and addresses, similar to the first part, but arranged in a different order. The names are written in a cursive script, and the addresses are written in a more formal, printed style. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown", along with their respective addresses in various cities and states.



1 A. I think I made \$2,000 last year.

2 Q. You still have the paper, I take
3 it, from which you derive that figure?

4 A. I have it?

5 THE COMMISSIONER: You are being asked
6 if you have it.

7 MR. WILSON: Q. Have you got it?

8 A. No, I have the sum of \$2,000,
9 that is what I have.

10 Q. Then, who did you give that
11 information to for the purpose of preparing
12 an income tax return?

13 A. My income tax of '61, Mr. Wilson,
14 has not been filed.

15 Q. No. Why has it not been filed?

16 A. Why? Because I am still in a
17 fog from what has been going on with me.

18 Q. So, that you have not been able
19 to figure it out since the end ---

20 A. Not that I haven't been able to
21 figure it out, I have been up against a wall
22 all the time.

23 Q. So, since the end of 1961, are
24 you telling the Commission that you have not
25 been able to figure out how much you won in
26 gambling in 1961?

27 A. I just go through telling you
28 it was \$2,000. I don't --- How many times
29 are you asking me?
30



1 Q. Why did you not give that figure
2 to your auditor or your accountant?

3 A. I just got through telling you
4 I have been in a fog since I got slugged. How
5 many times --- I went to jail, I got slugged,
6 and I was persecuted by the press day in and
7 day out here. What do you want? Do you
8 want my blood?

9 Q. And you know how much -- I think
10 you said yesterday you made \$28,000 in your
11 legitimate business activities?

12 A. I believe that is the figure.

13 Q. And with whom, in what ---
14 Who was your employer during that period?

15 A. I am my own employer. I think
16 I told you that yesterday.

17 Q. Yes, you did tell me that
18 yesterday. You carry on under your own name
19 any business activity you have?

20 A. I can't remember.

21 Q. Under your own name?

22 THE COMMISSIONER: Put it in the reverse,
23 did he carry on business under any name other
24 than his own.

25 MR. WILSON: Q. Did you carry on
26 business under any other name but your own?

27 A. I have a company name.

28 Q. Now, what is the company name?

29 A. Can I give it to his lordship? Do
30



1 I have to give it to everybody?

2 Q. I don't see why, if you have sworn
3 you did not carry on under any name but your
4 own.

5 THE COMMISSIONER: Write it down there.
6 I will see whether I should or should not
7 release it.

8 I am having difficulty in making out
9 your writing. Write it at the top, please,
10 along that line. What is that, a "G"?

11 I do not know of any reason why that
12 should not be -- there may be nothing wrong
13 with it. I don't know.

14 A. If there is nothing wrong, what
15 do I need it? Haven't I had enough happen
16 to me for no reason at all? Do you want more
17 to happen to me?

18 THE COMMISSIONER: Just a minute, witness.
19 He has written these words, "Gar"- G-a-r, and
20 "Mac" - M-a-c, the third word, a-s-s-o, which
21 he says stands for "associates". Gar-Mac
22 Associates.

23 Q. Now, you say you have that as
24 your company; is that the way you put it?

25 A. Yes, your lordship.

26 MR. WILSON: Q. Now, are you the owner,
27 or do you own the shares in -- is Gar Mac
28 Associates a limited company?

29 A. No, sir.
30



I have the honor to acknowledge the receipt of your letter of the 10th inst. in relation to the above matter. I have the honor to inform you that the same has been forwarded to the proper authorities for their consideration. I am, Sir, very respectfully,
 Yours, very truly,
 J. M. Smith



1 Q. Do you own the operation?

2 A. Yes, sir.

3 Q. Has anybody else got an interest
4 in it?

5 A. No, sir.

6 Q. Do you carry on business, or have
7 you carried on business in the last five years
8 under any other phase?

9 A. No.

10 Q. Has any other company, incorporated
11 or unincorporated, in the last five years, paid
12 you any salary, commission or other remuneration?

13 A. Yes, they have.

14 Q. What? Tell us about it.

15 THE COMMISSIONER: Don't be too confidential
16 with me, now, Mr. Bluestein. You see, I should
17 not be hearing anything from you that the
18 public shouldn't hear.

19 A. This is nothing. I am just
20 asking if I should answer the question.

21 THE COMMISSIONER: Put the question to
22 him again.

23 MR. WILSON: Will the Reporter read the
24 last question I put to the witness.

25 THE REPORTER: (Reading):

26 "Q. Has any other company,
27 "incorporated or unincorporated,
28 "in the last five years, paid you
29 "any salary, commission or other
30



1. The first of the three parts
2. The second part of the
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28. The twenty-eighth part of the
29. The twenty-ninth part of the
30. The thirtieth part of the



1 "remuneration?"

2 "A. Yes, they have.

3 "Q. What? Tell us about it."

4 THE COMMISSIONER: All right, tell us
5 all about it, Mr. Bluestein.

6 A. I worked, and I paid my income
7 tax where I got my salary.

8 Q. Pardon?

9 A. I worked and I paid my income tax
10 on where I got my salary.

11 MR. WILSON: Q. I don't follow you?

12 A. I worked.

13 THE COMMISSIONER: Q. I don't understand
14 you.

15 MR. WILSON: Q. Worked where?

16 A. What is the difference where I
17 worked?

18 THE COMMISSIONER: Where did you work?

19 MR. WILSON: Q. I am asking you where
20 you worked.

21 A. Everything I ask you to do you
22 say, "why not?" I don't understand it.

23 Q. You see, you are being examined.

24 A. It is no good for the company I
25 work. It is not fair. Do you want me to lose
26 my job?

27 THE COMMISSIONER: I don't want you to
28 lose your job.

29 A. That is what will happen.
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1 THE COMMISSIONER: It may be unfortunate.
2 He has given me a card here.

3 A. Are you going to give him that,
4 too?

5 THE COMMISSIONER: I think I shall, yes.
6 It is Scandia House Limited. Deals in some
7 furniture.

8 Q. Now, you say you paid your
9 income tax through that firm; is that what you
10 say?

11 A. That is right.

12 THE COMMISSIONER: I do not understand
13 the witness. Better clarify it.

14 MR. WILSON: Q. You make your own income
15 tax returns, and you employ an accountant to
16 prepare the returns, from what you have told
17 us; isn't that right?

18 A. That's right.

19 Q. Now, apart from Gar Mac and
20 Scandia House, have you received any money for
21 any services you have rendered in the last
22 five years?

23 THE COMMISSIONER: That is a little
24 confusing. He has not yet sworn he has received
25 any money from Gar Mac Associates. He says
26 that is his company, the company he had. Were
27 you the company?

28 A. That is right.

29 Q. Gar Mac Associates?
30



1 A. That is right.

2 Q. What sort of business did that
3 outfit carry on?

4 A. Buy bankrupt stocks.

5 Q. Where was its place of business?

6 A. I answer ads. Send cards.

7 Q. What?

8 A. I answer ads in the paper, bank-
9 rupt stocks.

10 Q. What did you say about cars?

11 A. I send out cards.

12 MR. WILSON: Q. The Commissioner is
13 asking the address of the business?

14 A. 20 Ridge Hill, my house.

15 THE COMMISSIONER: Have you got one of
16 these cards with you today?

17 A. No.

18 MR. WILSON: Q. Where did the \$25,000,
19 you estimate as being your income from
20 legitimate business operation in 1961, come
21 from? Who paid it to you?

22 A. I earned it.

23 Q. I said, who paid it to you?

24 A. I got my salary.

25 Q. From whom?

26 A. From where I worked.

27 Q. Well, just tell me exactly who
28 paid you the salary.

29 A. The company I worked for, I got ---
30



1	100 lbs. of No. 10 wire	1.00	100.00
2	50 lbs. of No. 12 wire	.80	40.00
3	25 lbs. of No. 14 wire	.60	15.00
4	10 lbs. of No. 16 wire	.40	4.00
5	5 lbs. of No. 18 wire	.30	1.50
6	2 lbs. of No. 20 wire	.20	.40
7	1 lb. of No. 22 wire	.10	.10
8	100 lbs. of No. 10 wire	1.00	100.00
9	50 lbs. of No. 12 wire	.80	40.00
10	25 lbs. of No. 14 wire	.60	15.00
11	10 lbs. of No. 16 wire	.40	4.00
12	5 lbs. of No. 18 wire	.30	1.50
13	2 lbs. of No. 20 wire	.20	.40
14	1 lb. of No. 22 wire	.10	.10
15	100 lbs. of No. 10 wire	1.00	100.00
16	50 lbs. of No. 12 wire	.80	40.00
17	25 lbs. of No. 14 wire	.60	15.00
18	10 lbs. of No. 16 wire	.40	4.00
19	5 lbs. of No. 18 wire	.30	1.50
20	2 lbs. of No. 20 wire	.20	.40
21	1 lb. of No. 22 wire	.10	.10
22	100 lbs. of No. 10 wire	1.00	100.00
23	50 lbs. of No. 12 wire	.80	40.00
24	25 lbs. of No. 14 wire	.60	15.00
25	10 lbs. of No. 16 wire	.40	4.00
26	5 lbs. of No. 18 wire	.30	1.50
27	2 lbs. of No. 20 wire	.20	.40
28	1 lb. of No. 22 wire	.10	.10
29	100 lbs. of No. 10 wire	1.00	100.00
30	50 lbs. of No. 12 wire	.80	40.00
31	25 lbs. of No. 14 wire	.60	15.00
32	10 lbs. of No. 16 wire	.40	4.00
33	5 lbs. of No. 18 wire	.30	1.50
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35	1 lb. of No. 22 wire	.10	.10
36	100 lbs. of No. 10 wire	1.00	100.00
37	50 lbs. of No. 12 wire	.80	40.00
38	25 lbs. of No. 14 wire	.60	15.00
39	10 lbs. of No. 16 wire	.40	4.00
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46	10 lbs. of No. 16 wire	.40	4.00
47	5 lbs. of No. 18 wire	.30	1.50
48	2 lbs. of No. 20 wire	.20	.40
49	1 lb. of No. 22 wire	.10	.10
50	100 lbs. of No. 10 wire	1.00	100.00
51	50 lbs. of No. 12 wire	.80	40.00
52	25 lbs. of No. 14 wire	.60	15.00
53	10 lbs. of No. 16 wire	.40	4.00
54	5 lbs. of No. 18 wire	.30	1.50
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57	100 lbs. of No. 10 wire	1.00	100.00
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62	2 lbs. of No. 20 wire	.20	.40
63	1 lb. of No. 22 wire	.10	.10
64	100 lbs. of No. 10 wire	1.00	100.00
65	50 lbs. of No. 12 wire	.80	40.00
66	25 lbs. of No. 14 wire	.60	15.00
67	10 lbs. of No. 16 wire	.40	4.00
68	5 lbs. of No. 18 wire	.30	1.50
69	2 lbs. of No. 20 wire	.20	.40
70	1 lb. of No. 22 wire	.10	.10
71	100 lbs. of No. 10 wire	1.00	100.00
72	50 lbs. of No. 12 wire	.80	40.00
73	25 lbs. of No. 14 wire	.60	15.00
74	10 lbs. of No. 16 wire	.40	4.00
75	5 lbs. of No. 18 wire	.30	1.50
76	2 lbs. of No. 20 wire	.20	.40
77	1 lb. of No. 22 wire	.10	.10
78	100 lbs. of No. 10 wire	1.00	100.00
79	50 lbs. of No. 12 wire	.80	40.00
80	25 lbs. of No. 14 wire	.60	15.00
81	10 lbs. of No. 16 wire	.40	4.00
82	5 lbs. of No. 18 wire	.30	1.50
83	2 lbs. of No. 20 wire	.20	.40
84	1 lb. of No. 22 wire	.10	.10
85	100 lbs. of No. 10 wire	1.00	100.00
86	50 lbs. of No. 12 wire	.80	40.00
87	25 lbs. of No. 14 wire	.60	15.00
88	10 lbs. of No. 16 wire	.40	4.00
89	5 lbs. of No. 18 wire	.30	1.50
90	2 lbs. of No. 20 wire	.20	.40
91	1 lb. of No. 22 wire	.10	.10
92	100 lbs. of No. 10 wire	1.00	100.00
93	50 lbs. of No. 12 wire	.80	40.00
94	25 lbs. of No. 14 wire	.60	15.00
95	10 lbs. of No. 16 wire	.40	4.00
96	5 lbs. of No. 18 wire	.30	1.50
97	2 lbs. of No. 20 wire	.20	.40
98	1 lb. of No. 22 wire	.10	.10
99	100 lbs. of No. 10 wire	1.00	100.00
100	50 lbs. of No. 12 wire	.80	40.00



1 Q. What was the company?

2 THE COMMISSIONER: Q. Is that for
3 the company whose name appears on this card,
4 Scandia House Limited?

5 MR. WILSON: Q. Scandia House Limited?

6 THE COMMISSIONER: That is what it says.

7 MR. WILSON: Q. And was that true
8 also in 1960?

9 A. That's right.

10 Q. Any income you got apart from
11 your gambling, professional gambling, came
12 from Scandia House Limited?

13 A. I can't tell you. If you want
14 to do it easily the Income Tax Department
15 will give you all particulars on all my things,
16 and you will have no problems, because I
17 don't remember. You are asking me questions
18 that they know the answers, and which I don't.
19 So, you are --- This I don't understand it.

20 Q. I thought you would understand
21 who you worked for in 1960.

22 A. Well, they have the answers,
23 the income tax have the answers, they know
24 where I worked and how much I paid them. You
25 are confusing me. I don't know.

26 THE COMMISSIONER: Q. Well, you worked
27 for Scandia House Limited. Did you work for
28 anybody else? Just yes or no.

29 A. I don't remember. All I know is
30



The first of these is the fact that the
 government has been unable to raise the
 necessary funds to meet its obligations.
 This is due to a number of factors,
 including the fact that the government
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 factors, including the fact that the
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 necessary funds to meet its obligations.



1 what I told the gentleman, that the income tax
2 have these figures on what I paid on, and
3 everything else.

4 Q. I am not asking you what you paid.
5 I am asking you if you worked any place besides
6 Scandia House -- and don't tell me you don't
7 remember that.

8 A. I don't remember. As I said
9 before, if there is any question the Income Tax
10 Department know.

11 MR. WILSON: Q. How were you paid in
12 1960, by Scandia House, by cheque or cash?

13 A. By cheque.

14 Q. By cheque?

15 A. Always by cheque.

16 Q. Always by cheque. Do you own
17 shares in Scandia House?

18 A. I don't understand what you mean.

19 THE COMMISSIONER: Oh.

20 MR. WILSON: Q. Do you know, are you
21 the owner of Scandia House?

22 A. Mr. Wilson, are you confused or
23 are you trying to confuse me? I told you
24 I was working there. Now you are trying to
25 put words into my mouth. Am I the owner?
26 I don't even own a broom in there.

27 Q. The simple question is ---

28 A. It is not a simple question.

29 Q. Do you own any shares in Scandia
30

1. The first part of the document is a letter from the President of the United States to the Congress, dated January 3, 1862. It contains a report on the state of the Union and the progress of the war.

2. The second part is a report from the Secretary of the Treasury, dated January 10, 1862. It contains a report on the state of the Treasury and the progress of the war.

3. The third part is a report from the Secretary of the Interior, dated January 10, 1862. It contains a report on the state of the Interior and the progress of the war.

4. The fourth part is a report from the Secretary of the Navy, dated January 10, 1862. It contains a report on the state of the Navy and the progress of the war.

5. The fifth part is a report from the Secretary of the War, dated January 10, 1862. It contains a report on the state of the War and the progress of the war.

6. The sixth part is a report from the Secretary of the State, dated January 10, 1862. It contains a report on the state of the State and the progress of the war.

7. The seventh part is a report from the Secretary of the War, dated January 10, 1862. It contains a report on the state of the War and the progress of the war.

8. The eighth part is a report from the Secretary of the State, dated January 10, 1862. It contains a report on the state of the State and the progress of the war.

9. The ninth part is a report from the Secretary of the War, dated January 10, 1862. It contains a report on the state of the War and the progress of the war.

10. The tenth part is a report from the Secretary of the State, dated January 10, 1862. It contains a report on the state of the State and the progress of the war.



1 House Limited?

2 A. Do I own shares in David Eaton's
3 company?

4 Q. Just answer the question.

5 THE COMMISSIONER: Just answer the question,
6 do you own any shares in Scandia House Limited?

7 A. No, I don't.

8 Q. Pardon?

9 A. No, I don't.

10 Q. You don't. That is your oath?

11 A. Yes, it is.

12 THE COMMISSIONER: All right. It is
13 his oath that he doesn't.

14 MR. WILSON: Q. Any nominee of yours,
15 your wife or any other person?

16 A. No, no, no, no, no.

17 THE COMMISSIONER: What were you, just
18 employed as a salesman?

19 A. I worked there.

20 Q. I know, but doing what? Sweeping
21 the floor or selling furniture, or what?

22 A. It is my idea of how the place
23 is run.

24 Q. Pardon?

25 A. It is my idea of how the place
26 is run.

27 Q. I don't understand.

28 A. It is my ideas.

29 Q. Oh, you told them how the place
30



Item	Quantity	Unit	Price	Total
1. 100 lbs. of No. 100	100	lbs.	1.00	100.00
2. 50 lbs. of No. 100	50	lbs.	1.00	50.00
3. 100 lbs. of No. 100	100	lbs.	1.00	100.00
4. 50 lbs. of No. 100	50	lbs.	1.00	50.00
5. 100 lbs. of No. 100	100	lbs.	1.00	100.00
6. 50 lbs. of No. 100	50	lbs.	1.00	50.00
7. 100 lbs. of No. 100	100	lbs.	1.00	100.00
8. 50 lbs. of No. 100	50	lbs.	1.00	50.00
9. 100 lbs. of No. 100	100	lbs.	1.00	100.00
10. 50 lbs. of No. 100	50	lbs.	1.00	50.00
11. 100 lbs. of No. 100	100	lbs.	1.00	100.00
12. 50 lbs. of No. 100	50	lbs.	1.00	50.00
13. 100 lbs. of No. 100	100	lbs.	1.00	100.00
14. 50 lbs. of No. 100	50	lbs.	1.00	50.00
15. 100 lbs. of No. 100	100	lbs.	1.00	100.00
16. 50 lbs. of No. 100	50	lbs.	1.00	50.00
17. 100 lbs. of No. 100	100	lbs.	1.00	100.00
18. 50 lbs. of No. 100	50	lbs.	1.00	50.00
19. 100 lbs. of No. 100	100	lbs.	1.00	100.00
20. 50 lbs. of No. 100	50	lbs.	1.00	50.00
21. 100 lbs. of No. 100	100	lbs.	1.00	100.00
22. 50 lbs. of No. 100	50	lbs.	1.00	50.00
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24. 50 lbs. of No. 100	50	lbs.	1.00	50.00
25. 100 lbs. of No. 100	100	lbs.	1.00	100.00
26. 50 lbs. of No. 100	50	lbs.	1.00	50.00
27. 100 lbs. of No. 100	100	lbs.	1.00	100.00
28. 50 lbs. of No. 100	50	lbs.	1.00	50.00
29. 100 lbs. of No. 100	100	lbs.	1.00	100.00
30. 50 lbs. of No. 100	50	lbs.	1.00	50.00
31. 100 lbs. of No. 100	100	lbs.	1.00	100.00
32. 50 lbs. of No. 100	50	lbs.	1.00	50.00
33. 100 lbs. of No. 100	100	lbs.	1.00	100.00
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35. 100 lbs. of No. 100	100	lbs.	1.00	100.00
36. 50 lbs. of No. 100	50	lbs.	1.00	50.00
37. 100 lbs. of No. 100	100	lbs.	1.00	100.00
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49. 100 lbs. of No. 100	100	lbs.	1.00	100.00
50. 50 lbs. of No. 100	50	lbs.	1.00	50.00



ought to be operated?

A. It is my ideas, I bring in ideas.

Q. Just give me an example.

A. I'll go down to Satons and look at their displays, or go to Simpsons, the different places, and get ideas. And I bring them in. I am a very good man at that.

Q. Yes.

A. That is what it is.

Q. That is all you did?

A. Isn't that enough?

Q. But that is all you did? Is that what you say? That was the nature of the work you did for them?

A. Part of it.

Q. All right. What was the other things you did?

A. I do everything. If I have to sweep the floor, I sweep the floor. I am an all-around man.

Q. How much did you get paid?

A. \$200 a week.

Q. And who is the boss?

A. Who the boss is? Mr. Bluestein.

Q. Mr. Bluestein?

A. That's right.

Q. Yourself, or some other Mr. Bluestein?

A. Just a minute, I think there is an error there. You asked me if I worked there



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சென்னை நகர வட்டார வரலாறு

1. சென்னை நகர வட்டார வரலாறு	1
2. சென்னை நகர வட்டார வரலாறு	2
3. சென்னை நகர வட்டார வரலாறு	3
4. சென்னை நகர வட்டார வரலாறு	4
5. சென்னை நகர வட்டார வரலாறு	5
6. சென்னை நகர வட்டார வரலாறு	6
7. சென்னை நகர வட்டார வரலாறு	7
8. சென்னை நகர வட்டார வரலாறு	8
9. சென்னை நகர வட்டார வரலாறு	9
10. சென்னை நகர வட்டார வரலாறு	10
11. சென்னை நகர வட்டார வரலாறு	11
12. சென்னை நகர வட்டார வரலாறு	12
13. சென்னை நகர வட்டார வரலாறு	13
14. சென்னை நகர வட்டார வரலாறு	14
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18. சென்னை நகர வட்டார வரலாறு	18
19. சென்னை நகர வட்டார வரலாறு	19
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30. சென்னை நகர வட்டார வரலாறு	30



1 in 1960. Now, I am not sure whether I worked
2 there in 1960.

3 Q. Never mind, we will come back.
4 If there is any error, we will get it corrected.

5 A. I don't want to ---

6 Q. Who is the boss? You said Mr.
7 Bluestein?

8 A. That's right.

9 Q. Not yourself, some other Mr.
10 Bluestein?

11 A. Yes.

12 Q. What is his name?

13 A. I just told you.

14 Q. What is his name?

15 A. Irving.

16 Q. Irving?

17 A. Yes.

18 Q. Did he hire you?

19 A. That's right.

20 Q. When?

21 A. I don't know. The income tax
22 have got it, I was hired, and when I started
23 paying my income tax. They know everything.
24 I don't know anything.

25 Q. Unfortunately for you I have to
26 learn as much as I can from you. Did Mr.
27 Irving Bluestein hire you to work for this
28 company?

29 A. That's right.
30



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1 Q. When?

2 A. I don't remember.

3 Q. You don't remember. Was it last
4 year?

5 A. I imagine it was. I think it
6 was in '60, but I am not sure, though.

7 Q. \$200 a week?

8 A. That's right.

9 Q. Now, did you have any -- did you
10 have at any time any money invested in that
11 company?

12 A. Never had a dollar invested in
13 the company.

14 MR. WILSON: Q. Did you at any time
15 loan any money to that company?

16 A. Never loaned a dollar to the
17 company.

18 Q. And in 1961, which would be last
19 year, was the \$28,000 that you have estimated
20 as your income from legitimate business, did
21 you come all from Scandia House Limited?

22 A. (Laughs) Mr. Wilson, I don't
23 understand whether you are trying to be funny
24 or what. I just got through telling you I
25 made \$200 a week.

26 Q. I know, but yesterday you told
27 us you made \$28,000 out of your business
28 operations, legitimate business operations.

29 A. That's right.
30



1. The first part of the document is a list of names and addresses, which are arranged in two columns. The names are written in a cursive hand, and the addresses are written in a more formal, printed hand. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown", and addresses such as "123 Main Street", "456 Elm Street", and "789 Oak Street".

2. The second part of the document is a list of names and addresses, which are arranged in two columns. The names are written in a cursive hand, and the addresses are written in a more formal, printed hand. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown", and addresses such as "123 Main Street", "456 Elm Street", and "789 Oak Street".

3. The third part of the document is a list of names and addresses, which are arranged in two columns. The names are written in a cursive hand, and the addresses are written in a more formal, printed hand. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown", and addresses such as "123 Main Street", "456 Elm Street", and "789 Oak Street".

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5. The fifth part of the document is a list of names and addresses, which are arranged in two columns. The names are written in a cursive hand, and the addresses are written in a more formal, printed hand. The list includes names such as "John Smith", "Mary Jones", and "Robert Brown", and addresses such as "123 Main Street", "456 Elm Street", and "789 Oak Street".



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Q. Last year.

A. Where do you jump from \$200 a week to \$28,000?

Q. You are the one who is jumping.

A. I am not jumping.

THE COMMISSIONER: \$200 a week, that would be \$2400.

MR. WILSON: \$200 a week.

THE COMMISSIONER: My arithmetic, I have to go back to school.

MR. WILSON: \$10,400.

THE COMMISSIONER: Q. Where did the rest of it come from?

A. I think I made about \$10,000 at Gar Mac.

Q. Pardon?

A. About \$10,000 at Gar Mac.

THE COMMISSIONER: About \$10,000 out of Gar Mac. Penetrate into that.

MR. WILSON: Q. What did you do to earn the \$10,000 from Gar Mac?

A. I worked.

Q. What did you work at?

A. I bought bankrupt stocks.

Q. Yes?

A. I bought bankrupt stocks.

Q. You bought and sold bankrupt stocks?

A. Yes.

Q. Yes. And can you tell us any



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1 bankrupt stock that you bought and sold in 1961?

2 A. I haven't got the figures with
3 me.

4 Q. No, I am asking for the names.

5 A. I can give you everything, I have
6 got everything.

7 THE COMMISSIONER: Q. Where? Where?

8 A. I got them.

9 Q. Right here?

10 A. No, I wasn't prepared for that.

11 Q. Where?

12 A. I think they are at home. I can
13 pick them up.

14 MR. WILSON: Q. Can you just recall
15 one name of one bankrupt stock you bought in
16 1961?

17 A. I am going to give you all of
18 them, I am not giving one. I have got them all
19 on file.

20 Q. Well, we will get them then.

21 A. That is fair enough, then.

22 Q. That brings us up to about
23 \$20,000. Where did the other \$3,000 income
24 come from, what type of business?

25 A. The mortgages.

26 Q. Well, did you have an income of
27 \$3,000 a year on mortgages?

28 A. I don't know exactly what it is.

29 THE COMMISSIONER: Q. Where are the
30



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1 mortgages, the documents themselves?

2 A. Um?

3 Q. Where are the mortgages now? I
4 am not talking about the properties, where are
5 the instruments, the written documents that
6 amount to mortgages?

7 A. I pay income on it.

8 Q. Where are they?

9 A. I believe they are at home some
10 place.

11 Q. You believe they are at home
12 some place. Would they be in the same place
13 at home as your records of Gar MacAssociates?

14 A. I think so. I think I can give
15 you them if you want them.

16 Q. Yes. Well, I want them.

17 A. All right, you will have them.

18 Q. What is the total amount you
19 have invested in mortgages?

20 A. I think I had better give you
21 the mortgages and you can add them up so I
22 won't be ---

23 Q. Just approximately.

24 A. I can give you all the mortgages.

25 Q. Would it be \$100,000?

26 A. Hell, no.

27 Q. Well, how much, fifty?

28 A. No, I think it is a lot less than
29 fifty.
30



Item	Quantity	Unit Price	Total
1. 100 lbs. of No. 10 feed	100	1.00	100.00
2. 50 lbs. of No. 12 feed	50	.80	40.00
3. 25 lbs. of No. 14 feed	25	.60	15.00
4. 10 lbs. of No. 16 feed	10	.40	4.00
5. 5 lbs. of No. 18 feed	5	.20	1.00
6. 2 lbs. of No. 20 feed	2	.10	.20
7. 1 lb. of No. 22 feed	1	.05	.05
8. 1/2 lb. of No. 24 feed	.5	.02	.01
9. 1/4 lb. of No. 26 feed	.25	.01	.00
10. 1/8 lb. of No. 28 feed	.125	.00	.00
11. 1/16 lb. of No. 30 feed	.0625	.00	.00
12. 1/32 lb. of No. 32 feed	.03125	.00	.00
13. 1/64 lb. of No. 34 feed	.015625	.00	.00
14. 1/128 lb. of No. 36 feed	.0078125	.00	.00
15. 1/256 lb. of No. 38 feed	.00390625	.00	.00
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18. 1/2048 lb. of No. 44 feed	.00048828125	.00	.00
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26. 1/524288 lb. of No. 60 feed	.0000019073486328125	.00	.00
27. 1/1048576 lb. of No. 62 feed	.00000095367431640625	.00	.00
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1 Q. Who did your legal work in
2 connection with the mortgages?

3 A. I don't think --

4 Q. You didn't draw the mortgages?

5 A. I didn't have one lawyer.

6 Q. Pardon?

7 A. I have never done business --

8 I may have Mr. Jackson once, and whoever is on
9 the mortgage, I will have him. Whoever gives
10 me the mortgage.

11 Q. We will find out who they are.

12 How many mortgages have you?

13 A. I guess I got about four.

14 Q. Only four? Were they all prepared
15 by the same solicitor?

16 A. I don't think I had -- no, I
17 think they are all different.

18 Q. All right. Now, who were the
19 solicitors, any one of them?

20 A. Bratty.

21 Q. Does he practise alone or is he
22 with a firm?

23 A. I don't know. Bratty, that is
24 the only one I know. Gambin and Bratty.

25 Q. Gambin and Bratty?

26 A. Yes, I think so.

27 THE COMMISSIONER: Have you a legal
28 directory here?

29 MR. WILSON: We have one.
30



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1
2 THE COMMISSIONER: All right. While we
3 are getting that, go on. Gambin and Bratty.

4 Who were the other solicitors?

5 A. Mr. Reiber, Heiver.

6 Q. Mr. Reiberg?

7 A. I think it is Reiber - R-e-i-b-e-r.
8 Reiber and Newman, I think it is.

9 Q. Reiber and Newman. Yes. Who
10 were the other solicitors?

11 A. Mr. Panson.

12 THE COMMISSIONER: Mr. Reporter?

13 THE REPORTER: Panson, my lord.

14 THE COMMISSIONER: Q. Panson?

15 A. That is right.

16 Q. Where is his office?

17 A. When I got the mortgage he was on
18 Queen Street, across from the City Hall.

19 Q. Practising alone?

20 A. No, two students, just started up.
21 When I got it, it was two kids. I don't know
22 what the partner's name is.

23 Q. What year was this you are talking
24 about?

25 A. I guess it would be about two or
26 three years ago. I think three years ago.

27 Q. This is the 1962 directory, Mr.
28 Wilson.

29 THE WITNESS: \$7,000 mortgage.

30 THE COMMISSIONER: Q. Pardon?





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A. I think it was \$7,000.

Q. A \$7,000 mortgage?

A. Yes, I think that is what it was.

Q. Covering what property?

A. Some property out in -- it is like a restaurant.

Q. Where?

A. I got the paper at home.

Q. I know, but where was the restaurant?

A. It is around Bendale.

Q. Richvale?

A. No, Bendale.

Q. Bendale?

A. It would be around 27 Highway there, close to Eatons Warehouse, there.

Q. Any other solicitors?

A. That is all I can remember.

THE COMMISSIONER: That is all you remember. All right. Mr. Wilson?

MR. WILSON: Q. Now, if you recall in May ---

THE COMMISSIONER: Just a moment.

Q. About what rate of interest did your mortgages carry?

A. Well, to be exact, I would have to give you the papers so you could look at them yourself.

Q. Six or seven per cent?

A. Not six per cent.



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1 Q. Pardon?

2 A. I would imagine they average
3 about nine.

4 Q. Nine per cent?

5 A. I imagine so. But I am not
6 positive.

7 THE COMMISSIONER: You can do a little
8 calculating.

9 MR. WILSON: Well, I have some other
10 evidence. It doesn't add up to \$8,000, the
11 way the witness puts it.

12 THE COMMISSIONER: Well, his income was
13 \$8,000 at 9 per cent, he had \$81,000 in
14 mortgages, roughly.

15 Q. Is that about right?

16 A. Well, I think I told you that
17 I can't - I never went to university, and I
18 never went to high school. Whatever the papers
19 figure out, that is what they will be. I
20 mean, if I am wrong, I am wrong.

21 Q. Did you keep any of these documents
22 in any of your safety deposit boxes?

23 A. Yes, all my papers are kept
24 in safety deposit boxes.

25 MR. WILSON: Q. In May, on May 15th
26 of this year you attended at the Toronto office
27 of the Royal Canadian Mounted Police, the
28 C.I.B. Branch, and had a talk with Staff
29 Sergeant Hawrys. Do you recall going there
30





1 on May 15th?

2 A. I remember going to the Mounted
3 Police office, yes. I don't know what day it
4 was.

5 Q. Yes.

6 THE COMMISSIONER: Spell that, please.

7 MR. WILSON: Hawrys, H-a-w-r-y-s,
8 Staff Sergeant.

9 Q. Now, is it not a fact you stated
10 the purpose of your visit was to seek protection
11 from the Royal Canadian Mounted Police, that
12 you had fear for the safety of your family
13 and yourself from organized crime. What
14 is your answer to that question?

15 A. I would like to forget about
16 everything.

17 THE COMMISSIONER: That is the last thing
18 I want to happen. I want you to remember
19 everything. You did have a visit on May ---

20 A. I don't know the date.

21 Q. Well, I do. This year, you said.
22 We know the date. You did attend at the
23 office of the R.C.M.P. and had an interview
24 with Staff Sergeant Hawrys. What was your
25 purpose in going there?

26 A. Well, I guess I was a little
27 mixed up when I went there.

28 Q. Pardon?

29 A. I was a little disturbed.
30





1 Q. Take your hand down, I can't hear
2 you.

3 A. I was a little disturbed when
4 I went there.

5 Q. You were a little disturbed with
6 what? Did you go there and ask for police
7 protection?

8 A. Yes, your lordship.

9 Q. Protection against what?

10 A. I was a little disturbed when I
11 went there.

12 Q. Disturbed over what? You wanted
13 them to protect you against something. What
14 was the something you wanted protection against?

15 A. I said I was a little disturbed.
16 I don't remember.

17 Q. I can quite understand that.
18 But you wanted protection, you wanted them
19 to give you protection against somebody. Who
20 was the somebody?

21 A. I said I was a little disturbed.

22 Q. I know, you have said that, but
23 I want to know who the somebody was against
24 whom you wanted protection?

25 A. Nobody. Nobody.

26 Q. Take your hand down from your

27 A. mouth. No one. No one, your lordship.

28 Q. No particular person?

29 A. That is right.



Q. Now, I want to ask you a question.

A. Yes, I am a female.

Q. You were a female at the time you were arrested?

A. Yes, I was a female at the time I was arrested.

Q. Yes, you were a female.

A. Yes, I was a female at the time I was arrested.

Q. I was a female at the time I was arrested.

Q. Now, I want to ask you a question.

A. Yes, I am a female.

Q. You were a female at the time you were arrested?

A. Yes, I was a female at the time I was arrested.

Q. I was a female at the time I was arrested.

Q. Now, I want to ask you a question.

A. Yes, I am a female.

Q. You were a female at the time you were arrested?

A. Yes, I was a female at the time I was arrested.

Q. Now, I want to ask you a question.

A. Yes, I am a female.

Q. You were a female at the time you were arrested?

A. Yes, I was a female at the time I was arrested.

Q. Now, I want to ask you a question.

A. Yes, I am a female.

Q. You were a female at the time you were arrested?

A. Yes, I was a female at the time I was arrested.

Q. Now, I want to ask you a question.

A. Yes, I am a female.



1 Q. Then, why did you want the
2 protection?

3 A. I said I was a little disturbed.

4 Q. What do you mean by that?

5 A. I was mixed up.

6 Q. Are you mixed up now?

7 A. I would say so.

8 MR. WILSON: Q. Isn't it a fact you
9 told Staff Sergeant Henrys you were fearful of
10 the Mafia?

11 A. I don't remember what I said to
12 him.

13 Q. Well, if he swears that you did
14 make that statement, do you -- are you swearing
15 that you didn't?

16 A. No, I said I don't remember what
17 I said to him.

18 Q. And isn't it a fact that you
19 also told Staff Sergeant Henrys that your
20 fear stemmed from the fact that you had talked
21 to Pierre Berton and exposed to him the
22 operations of organized crime?

23 A. No, I don't think I said that.

24 Q. Well, if Sergeant Henrys says
25 you did, will you swear that you didn't?

26 A. No, I wouldn't swear that I
27 didn't. I said I don't think I said that. If
28 my memory serves me, I think I said since I
29 went to Pierre Berton I don't think I said
30



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1 anything about anything else.

2 THE COMMISSIONER: I can't hear you very
3 well. Take your hand down and get close to
4 that microphone.

5 What is the answer, Mr. Reporter?

6 THE REPORTER: (Reading):

7 "Q. Well, if Sergeant Murrye
8 "says you you did, will you swear
9 "that you didn't?

10 "A. No, I wouldn't swear that
11 "I didn't. I said I don't think
12 "I said that. If my memory serves
13 "me, I think I said since I went
14 "to Pierre Berton I don't think I
15 "said anything about anything else."

16 MR. WILSON: Q. Well, did you -- or
17 did you prior to this meeting with Sergeant
18 Murrye, did you in any interview with Pierre
19 Berton explain to him the operations of
20 organized crime?

21 A. No. Why, why --

22 THE COMMISSIONER: Speak up.

23 MR. WILSON: Speak up, I can't hear you.

24 A. No, I didn't say anything.

25 THE COMMISSIONER: Q. Say that a little
26 louder.

27 A. I don't know what you mean by
28 organized crime.

29 MR. WILSON: Q. Just tell us what you
30

[illegible]



1 did tell Pierre Berton and we will figure out
2 what it means.

3 A. I told Pierre Berton about me
4 getting beaten up.

5 Q. Yes.

6 A. There was a hundred people
7 watching. That is all.

8 THE COMMISSIONER: Q. Witness, you
9 will have to raise your voice.

10 A. I told Pierre Berton about me
11 getting beaten up, and a hundred people
12 watching.

13 Q. With a lot of people watching?

14 A. That is right.

15 Q. Yes. What else?

16 A. That is all I can remember.

17 MR. WILSON: Q. Now, were you told
18 by Sergeant Hawrys the request you were making
19 to the R.C.M.P. was outside of their jurisdiction?

20 A. That is right.

21 THE COMMISSIONER: Q. You remember that?

22 MR. WILSON: Q. Did you at that meeting
23 with Sergeant Hawrys inform him that you had
24 talked to Chief Mackay of the Metro Police
25 Department in March of 1961, and asked for
26 protection?

27 A. I don't remember saying that.

28 THE COMMISSIONER: Keep your hand down
29 from your mouth.
30



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1 A. I don't remember saying that.

2 MR. WILSON: Q. What request did you
3 make to Chief Mackey in March of 1961?

4 A. I don't remember.

5 Q. You don't remember. Did you ask
6 him for protection?

7 A. I don't remember.

8 THE COMMISSIONER: This is getting like
9 a record.

10 MR. WILSON: I will ask the witness
11 to step down. There is another short witness
12 I would like to call just at this point.

13 THE COMMISSIONER: They will provide
14 you with accommodation elsewhere on this
15 floor, and you will just wait.

16
17 ---The witness withdrew.

18
19
20
21 MR. WILSON: I will call Mr. W.L. Walton.

22 MR. POMERANT: Your lordship, I appear
23 on behalf of Mr. Walton at this Commission.
24 My name is Pomerant.

25 THE COMMISSIONER: What is your name?

26 MR. POMERANT: Pomerant, P-o-m-e-r-a-n-t,
27 the initials are J.B.

28 THE COMMISSIONER: Yes.

29 MR. POMERANT: And Mr. Walton is one
30 of the senior partners of Walton, Wegman and



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1 Company, a firm of chartered accountants.
2 This man has some twenty-two years standing
3 in the chartered accountants' profession.
4 I appear for him only primarily to present to
5 your lordship the reason why Mr. Walton comes
6 here and presents to your lordship all
7 documents in connection with the matters in
8 which he has been subpoenaed. He has been
9 subpoenaed here to give evidence on oath
10 touching the subject matter of this Commission,
11 and also to bring and produce all documents
12 in his possession with respect to Max Baker -
13 Max Bluestein, alias Baker. And, of
14 course, Mr. Walton has produced all the documents
15 that he had in his possession with respect
16 to Max Bluestein, alias Baker, and intends
17 to put them before your lordship. Being
18 an accountant of twenty-two years good standing,
19 he was concerned with the professional
20 propriety of doing so.

21 THE COMMISSIONER: He is not doing so
22 voluntarily, he is compelled to.

23 MR. POMERANT: I quite agree. In which
24 case a portion of the rules of professional
25 conduct of the Chartered Accountants Institute
26 does clearly state that in Rule 28. It
27 states:

28 "A member shall treat as confidential
29 "any information, documents or papers
30





A/5

1 "obtained by him as to the business
2 "affairs of his client, and shall
3 "not disclose or produce such
4 "information, documents or papers
5 "without the consent of the client
6 "or clients concerned, except by
7 "order of lawful authority."

8 I think in the light of the fact there
9 is an order of lawful authority, he now comes
10 before you and presents all the documents
11 touching on this matter.

12 THE COMMISSIONER: I understand his
13 position.



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1 WILLIAM L. WALTON, sworn

2
3 EXAMINED BY MR. WILSON:

4 Q. You are a chartered accountant
5 carrying on your practice in the City of Toronto?

6 A. Yes, sir.

7 Q. And when did you first have
8 any professional dealings with Max Bluestein?

9 A. In the year of -- the early year
10 of 1960, when I prepared his 1959 tax return.

11 THE COMMISSIONER: Just a moment. Don't
12 go too quickly. In 1959, did you say?

13 A. In 1960.

14 Q. 1960, when you prepared his 1959
15 return?

16 A. Right, sir.

17 MR. WILSON: Q. Mr. Commissioner, I
18 will come back to them individually, but you
19 subsequently prepared his 1960 and 1961 returns?

20 A. Subsequently I prepared the 1960,
21 sir, not the '61. The 1961 return has not
22 been completed.

23 Q. Let's see, then. Just produce
24 copies of the returns you have made on his
25 behalf, just so that we will have them properly
26 identified by year. I will leave them with
27 the witness for the moment.

28 A. I have them, sir, here.

29 Q. You have the two that you have
30



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1 prepared and filed on his behalf?

2 A. Right, sir.

3 Q. And they are?

4 A. For the taxation years 1959 and
5 1960.

6 Q. And you have not as yet completed
7 the 1961 return, although you have done some
8 work on it?

9 A. That is correct, sir.

10 Q. Now, we will come to that in a
11 moment. Now, first deal with the first
12 return you made on behalf of Max Eluestein,
13 tell us what the particulars of that return
14 were, and what income was shown, and how it
15 was broken down.

16 THE COMMISSIONER: What are you referring
17 to? Let me see what you are referring to.
18 This is a copy of the return?

19 A. That is right, your lordship.

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23 (Page 12425 follows)
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1 MR. WILSON: Q. What is the gross income
2 shown on that return?

3 A. \$17,537.18.

4 THE COMMISSIONER: Q. Seventeen thousand
5 five hundred and what?

6 A. \$537.18.

7 MR. WILSON: Q. How is that broken down?

8 A. In three separate categories.

9 First, there is investment income, \$2,787.18.

10 THE COMMISSIONER: Q. Give me the figure
11 again? Two thousand and what?

12 A. \$2,787.18. Salary from Perkins
13 Furniture & Appliances, \$7,950. \$7,950.

14 Q. Salary, Perkins, what?

15 A. Furniture & Appliances.

16 Then, voluntary declaration re professional
17 gambling, \$6,800.

18 Sum total of these three figures are
19 \$17,537.18.

20 MR. WILSON: Q. Going back to the first
21 of the three, what were the particulars of that
22 particular item? How was it made up? I
23 don't want to go into all the mortgages and
24 where they were, but what was it made up of,
25 mortgage income?

26 A. Yes, it was made up of \$2,392.18
27 mortgage interest received, and \$395 rental
28 total
29 income. The sum of those two figures are
30 \$2,787.18.



The following is a list of the names of the persons who have been appointed to the various offices of the County of Los Angeles, California, for the year 1900:

Office	Name
County Clerk	John W. Smith
County Treasurer	James H. Brown
County Assessor	William C. Jones
County Engineer	Robert L. White
County Surveyor	Charles E. Black
County Jailor	Thomas A. Green
County Coroner	George F. Hall
County Sheriff	Frank M. Adams
County Auditor	John D. Miller
County Recorder	Samuel R. Taylor
County Controller	David P. King
County Treasurer	John S. Lee
County Assessor	James K. Young
County Engineer	William B. Hill
County Surveyor	Robert A. Scott
County Jailor	Charles W. Baker
County Coroner	Thomas J. Evans
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County Coroner	Thomas J. Evans
County Sheriff	George H.



1 Q. Now, were those figures arrived at
2 by some audit you did or were those figures
3 given to you by Mr. Bluestein?

4 A. Those figures were given to me by
5 Mr. Bluestein.

6 Q. Then, coming to the second heading
7 or item, how was that figure confirmed to you?

8 A. Pardon, sir?

9 Q. The Perkins Furniture item?

10 A. The Perkins Furniture item was
11 covered by a T-4 slip, which is a statement
12 of wages that an employer gives to the
13 employee.

14 Q. And you have, I take it, attached
15 to that copy of the return a copy of that T-4
16 slip?

17 A. A copy isn't on the '59, sir.
18 It must have been misplaced. It is on the '60,
19 however.

20 Q. You did, at the time you prepared
21 this return, have a T-4 slip from Perkins
22 Furniture?

23 A. Yes.

24 Q. Have you the particulars of where
25 the Perkins Furniture -- what their proper
26 name is and where they were located?

27 A. That is Perkins, P-e-r-k-i-n-s,
28 Furniture & Appliance Limited, 1365 Yonge
29 Street, Toronto.
30



1. The first part of the report is devoted to a general description of the work done during the year. It includes a summary of the results of the various experiments and a discussion of the progress made in the different branches of the research.

2. The second part of the report is devoted to a detailed description of the work done during the year. It includes a description of the various experiments and a discussion of the results obtained.

3. The third part of the report is devoted to a summary of the work done during the year. It includes a summary of the results of the various experiments and a discussion of the progress made in the different branches of the research.

4. The fourth part of the report is devoted to a detailed description of the work done during the year. It includes a description of the various experiments and a discussion of the results obtained.

5. The fifth part of the report is devoted to a summary of the work done during the year. It includes a summary of the results of the various experiments and a discussion of the progress made in the different branches of the research.

6. The sixth part of the report is devoted to a detailed description of the work done during the year. It includes a description of the various experiments and a discussion of the results obtained.

7. The seventh part of the report is devoted to a summary of the work done during the year. It includes a summary of the results of the various experiments and a discussion of the progress made in the different branches of the research.

8. The eighth part of the report is devoted to a detailed description of the work done during the year. It includes a description of the various experiments and a discussion of the results obtained.

9. The ninth part of the report is devoted to a summary of the work done during the year. It includes a summary of the results of the various experiments and a discussion of the progress made in the different branches of the research.

10. The tenth part of the report is devoted to a detailed description of the work done during the year. It includes a description of the various experiments and a discussion of the results obtained.



1 Q. And that covers all the money shown
2 under heading, or item No. 2?

3 A. Yes, sir.

4 Q. And, then, Item No. 3, professional
5 gambling. That figure, I take it, you got
6 from Mr. Bluestein?

7 A. That is correct, sir.

8 Q. Did he have any records that he
9 asked you to examine or any figures he asked
10 you to audit to arrive at the amount he
11 instructed you to include in his income tax
12 return?

13 A. No, sir, no figures at all.

14 MR. WILSON: That particular return will
15 be Exhibit 292.

16
17 ---EXHIBIT NO. 292: Copy of income tax return of
18 Max Bluestein for the year
19 1959.

20 Q. Did you have any communication
21 with Perkins Furniture at any time after you
22 were retained by Mr. Bluestein, so far as
23 Mr. Bluestein's affiliation with that -- or,
24 association with that firm was concerned?

25 A. I was never in contact with
26 Perkins Furniture, sir.

27 Q. Were you ever informed by Mr.
28 Bluestein as to what his position was with
29 that firm?

30 A. No, sir.



1. The first of these is the fact that the

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1 Q. Coming to the 1960 return. Will
2 you give us the total gross income and particulars
3 of how that is arrived at?

4 A. The first item is --

5 THE COMMISSIONER: Q. The gross income is?

6 A. The gross income, \$16,818.44.

7 Q. Made up how?

8 A. The first item was the salary
9 received from Perkins Furniture, \$5,100. The
10 second item is rental income, \$433.50. The
11 third income is investment income, \$3,784.94.
12 The fourth item, voluntary declaration re
13 professional gambling, \$7,500. The sum total,
14 \$16,818.44.

15 MR. WILSON: Q. Do I understand in the
16 case of this particular return that you have
17 attached to it a T-4 slip covering the moneys
18 received by Mr. Bluestein from Perkins
19 Furniture?

20 A. That is right, sir.

21 Q. Does it show the same address?

22 A. Yes, sir.

23 Q. I take it that as far as any audit
24 was concerned, the particulars of how you
25 prepared that are the same as for the 1959?

26 A. That is correct, sir.

27 MR. WILSON: That will be Exhibit No. 293.

28
29 ---EXHIBIT NO. 293: Copy of income tax return of
30 Max Bluestein for the year 1960.



1. The first part of the report is devoted to a general description of the project and its objectives. It also includes a brief history of the project and a statement of the author's responsibilities.

2. The second part of the report is devoted to a detailed description of the project. It includes a description of the project's organization, a description of the project's activities, and a description of the project's results.

3. The third part of the report is devoted to a discussion of the project's results. It includes a discussion of the project's achievements, a discussion of the project's limitations, and a discussion of the project's future prospects.

4. The fourth part of the report is devoted to a conclusion. It includes a summary of the project's findings, a statement of the author's conclusions, and a statement of the author's recommendations.

5. The fifth part of the report is devoted to a bibliography. It includes a list of the references used in the report.

6. The sixth part of the report is devoted to an appendix. It includes a list of the figures and tables used in the report.

7. The seventh part of the report is devoted to a glossary. It includes a list of the terms used in the report.

8. The eighth part of the report is devoted to a list of abbreviations. It includes a list of the abbreviations used in the report.

9. The ninth part of the report is devoted to a list of symbols. It includes a list of the symbols used in the report.

10. The tenth part of the report is devoted to a list of units. It includes a list of the units used in the report.



1 Q. Now, so far as the 1961 return is
2 concerned, it is in process?

3 A. That is correct, sir.

4 Q. When should it have been filed?

5 A. By April 30.

6 Q. And what information have you
7 received from Mr. Bluestein so far to enable
8 you to prepare that return?

9 A. Just the investment income infor-
10 mation having to do with the interest on the
11 mortgages.

12 Q. What is the information you have
13 received on that?

14 A. Mortgage interest received, \$3,509.21.
15 And net rental income, \$471.95.

16 Q. When did you receive that infor-
17 mation from Mr. Bluestein?

18 A. I would say some time in either
19 July or August, I don't definitely recall, sir,
20 of this year.

21 Q. Did he give you any explanation as
22 to why he did not have the figure on other
23 income available?

24 A. The only thing was, as he said
25 here earlier, he was all mixed up and he
26 would give us the figures later.

27 Q. Have you spoken to him on one or
28 more occasions so as to get that information
29 and complete the return?
30

1. The first of these is the fact that the
2. Government has not yet decided whether it
3. will accept the offer of the United States
4. to purchase the Alaska Pipeline. This
5. decision is of great importance to the
6. United States and to the world economy.
7. The second of these is the fact that the
8. Government has not yet decided whether it
9. will accept the offer of the United States
10. to purchase the Alaska Pipeline. This
11. decision is of great importance to the
12. United States and to the world economy.



1 A. Just on one occasion.

2 Q. And did he have any T-4? Did you
3 ask him whether he had a T-4 from Perkins
4 Furniture for 1961?

5 A. I did.

6 Q. And what did he say?

7 A. He said whatever slips he had he
8 would send them along to me.

9 Q. But he has never done that?

10 A. No, sir.

11 Q. That is all, thank you.

12 THE COMMISSIONER: Any questions?

13 MR. ESTEY: If I may, my lord.

14
15
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17
18
19 EXAMINED BY MR. ESTEY:

20 Q. Mr. Walton, have you any record
21 as to where that rental income comes from?

22 A. Yes, sir. The description I
23 have here, sir, is Colborne Street in
24 Oakville, Ontario.

25 Q. Any number?

26 A. No.

27 Q. The name of the tenant?

28 A. Oakville, Ontario.

29 Q. No, the name of the tenant who pays
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1 the rent?

2 A. No, I don't have the name of the
3 tenant.

4 Q. In connection with the mortgage
5 income, the interest statement, do you have
6 any statement from which you received the
7 total mortgage income for those two years?

8 A. You would like the break-down?

9 Q. I would like to know how many
10 mortgages, for example, in 1960 produced
11 that income, if you have that?

12 A. Five mortgages.

13 Q. Have you the names of the mortgagors?

14 A. I just have the street addresses
15 of the property.

16 Q. Incidentally, have you seen those
17 mortgages?

18 A. No, sir.

19 Q. You do not know who the name of
20 the mortgage is?

21 A. No, sir.

22 Q. Would you give us the street
23 addresses, please?

24 A. 24 Rivalder Avenue, R-i-v-a-l-d-e-r.
25 Would you like the amounts?

26 Q. We may as well.

27 A. \$459.36.

28 Q. This is interest income in respect
29 of the Rivalder mortgage?

30



1 A. No.

2 Q. You do not know the amount of
3 interest secured or the rate of interest?

4 A. No.

5 THE COMMISSIONER: Q. Rivalder Avenue
6 is in what municipality?

7 A. I don't know, sir.

8 Royal Oak Hotel in Oakville, \$1,761.95.
9 90 Wembley, W-e-m-b-l-e-y, Road, \$225.
10 Roseland, R-o-s-e-l-a-n-d, Shopping Centre,
11 \$322.57. Then, one simple name here,
12 Anthony, A-n-t-h-o-n-y, \$485.50. The sum
13 total of the mortgage interest received,
14 \$3,254.68.

15 MR. ESTEY: Q. In connection with the
16 tax return and the information given to you,
17 were there any items of expense charged,
18 such as the payment of rent, by Mr. Bluestein
19 for any premises or clubs that you have
20 deducted?

21 A. No, sir.

22 Q. You have no deductions in your
23 tax returns for business expenses?

24 A. No deductions at all, sir.

25 Q. And nothing in these returns in
26 connection with a proprietorship owned by
27 the taxpayer?

28 A. No, sir.

29 Q. No mention of the name Carmac?

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1 A. No, sir.

2 Q. You are a licensed trustee in bank-
3 ruptcy?

4 A. Yes.

5 Q. You do a substantial amount of
6 bankruptcy work and are well known in your
7 field. Have you sold any bankrupt properties
8 or inventories to Mr. Blumstein as a trustee?

9 A. Not to my knowledge.

10 Q. Nothing you know of?

11 A. No.

12 Q. And there is nothing in his tax
13 return that he carried on any business by
14 selling bankrupt stock?

15 A. No, sir.

16 Q. Did you receive any cards
17 advertising bankrupt stock?

18 A. My bankruptcy office might have.
19 I didn't see any such correspondence.

20 Q. You never had any conversation
21 with him about bankrupt sales?

22 A. No, sir.

23 Q. You have told his lordship you
24 know nothing about Perkins Furniture?

25 A. No, sir.

26 Q. I notice it is not in the phone
27 book.

28 A. I haven't checked that. They
29 may have gone out of business. They were in
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1 business.

2 Q. You have nothing in your return or
3 the information you have given us in the
4 nature of T-4 slips with respect to Scandia
5 House?

6 A. No, sir.

7 Q. Is that name new to you?

8 A. I know the name.

9 Q. In connection with Mr. Bluestein's
10 work?

11 A. No, sir.

12 Q. I take it from your earlier
13 answer there is nothing in Mr. Bluestein's
14 returns or the information he has given to
15 you in connection with any companies he
16 has operated, any share capital companies?

17 A. Nothing at all.

18 Q. He does not show any revenue from
19 shares?

20 A. No.

21 Q. And there is nothing in the
22 information I have mentioned in my last
23 question which shows that he has turned over
24 to you any revenue from clubs or incorporated
25 associations without share capital?

26 A. That is correct, sir; nothing
27 at all.

28 Q. You have not audited for him any
29 such companies or corporations?
30



1. The first thing I noticed when I stepped out of the car was the cold, crisp air. It felt like a fresh blanket after a long, hot summer.

2. The second thing I noticed was the sound of the city. It was a mix of honking horns, car engines, and the distant chatter of people.

3. The third thing I noticed was the sight of the city. It was a sprawling metropolis, with tall buildings and a network of roads that seemed to go on forever.

4. The fourth thing I noticed was the smell of the city. It was a mix of exhaust, food, and the general stench of a large, busy city.

5. The fifth thing I noticed was the feeling of the city. It was a sense of being part of something big, something that was always moving and always changing.

6. The sixth thing I noticed was the people. They were everywhere, walking, running, and living their lives. They were the heart of the city, the soul of the city.

7. The seventh thing I noticed was the time. It was late in the afternoon, and the sun was setting. The city was bathed in a warm, golden light.

8. The eighth thing I noticed was the place. It was a beautiful city, with a mix of old and new, of tradition and modernity. It was a city that I had always wanted to visit, and now I was here.

9. The ninth thing I noticed was the people. They were everywhere, walking, running, and living their lives. They were the heart of the city, the soul of the city.

10. The tenth thing I noticed was the time. It was late in the afternoon, and the sun was setting. The city was bathed in a warm, golden light.

11. The eleventh thing I noticed was the place. It was a beautiful city, with a mix of old and new, of tradition and modernity. It was a city that I had always wanted to visit, and now I was here.

12. The twelfth thing I noticed was the people. They were everywhere, walking, running, and living their lives. They were the heart of the city, the soul of the city.

13. The thirteenth thing I noticed was the time. It was late in the afternoon, and the sun was setting. The city was bathed in a warm, golden light.

14. The fourteenth thing I noticed was the place. It was a beautiful city, with a mix of old and new, of tradition and modernity. It was a city that I had always wanted to visit, and now I was here.

15. The fifteenth thing I noticed was the people. They were everywhere, walking, running, and living their lives. They were the heart of the city, the soul of the city.

16. The sixteenth thing I noticed was the time. It was late in the afternoon, and the sun was setting. The city was bathed in a warm, golden light.

17. The seventeenth thing I noticed was the place. It was a beautiful city, with a mix of old and new, of tradition and modernity. It was a city that I had always wanted to visit, and now I was here.

18. The eighteenth thing I noticed was the people. They were everywhere, walking, running, and living their lives. They were the heart of the city, the soul of the city.

19. The nineteenth thing I noticed was the time. It was late in the afternoon, and the sun was setting. The city was bathed in a warm, golden light.

20. The twentieth thing I noticed was the place. It was a beautiful city, with a mix of old and new, of tradition and modernity. It was a city that I had always wanted to visit, and now I was here.

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A. I haven't audited anything for him.

Q. Thank you, very much.

MR. WILSON: Q. That is all, thank you,
Mr. Walton.

---The witness withdraws.

THE COMMISSIONER: Ten minute recess.

---A short recess.



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1 MR. WILSON: I will call Mr. Bull.

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6 HENRY HERBERT BULL, sworn,

7
8 EXAMINED BY MR. WILSON:

9 Q. In the fall of 1960 you were the
10 Crown Attorney?

11 A. No, I was the senior assistant
12 Crown Attorney.

13 Q. Senior assistant Crown Attorney.
14 Prior to the trial of Max Bluestein, Heldon
15 and another, were you approached by a
16 solicitor in regard to the charges that
17 were pending against those three men?

18 A. I was.

19 Q. Did you personally have anything
20 to do with the prosecution of that case
21 resulting in a conviction on December 14, 1960?

22 A. No. Until the solicitor
23 approached me I am not sure that I had any
24 knowledge at all of the prosecution. It was
25 in one of the suburban magistrates' courts,
26 in which I was not prosecuting. I had
27 nothing to do with it and that was really my
28 first knowledge of it, and I had nothing
29 further to do with the actual prosecution
30

[illegible]



1 after that.

2 Q. Did you have any personal knowledge
3 of the individuals concerned?

4 A. No, I didn't -- . To this day
5 I don't know the persons concerned, except
6 by name. I wouldn't recognize any of them.

7 Q. Tell us who approached you and
8 what was the proposal advanced?

9 A. It was Mr. C.L. Dubin, Q.C.,
10 who came to me and said he was acting in some
11 capacity for one or more of those who were
12 charged. The club -- A club, and I can't
13 remember the name of the club, --

14 THE COMMISSIONER: Q. Lakeview?

15 A. Lakeview Club, yes, that
16 refreshes my memory. The Lakeview Club and
17 three individuals, who I took to be officers
18 of the club, were charged.

19 MR. WILSON: Q. I think the evidence
20 is that the other two accused, other than
21 Bluestein, were, in fact, officers of the
22 club.

23 A. Well, of that I wasn't aware.
24 I had no knowledge of it at all.

25 Q. Then, what was the proposal
26 advanced by Mr. Dubin?

27 A. Mr. Dubin offered a plea of guilty
28 on behalf of the club if the charges against
29 the three individuals could be withdrawn.
30



1. The first thing I noticed when I stepped out of the plane was the fresh air. It felt like a breath of new life after being cooped up in a small, cramped space for hours. The sun was shining brightly, and the birds were chirping happily. I took a deep breath and smiled at the world around me.

2. As I walked along the path, I noticed a small stream flowing gently. The water was crystal clear, and I could see the rocks and leaves at the bottom. I stopped for a moment and drank some of the water. It was so refreshing and pure. I had never tasted anything like this before.

3. The path led me through a dense forest. The trees were tall and majestic, with thick canopies that blocked out most of the sunlight. The ground was covered in a thick layer of fallen leaves and twigs. I heard the sound of water dripping from the leaves, and the occasional rustle of a squirrel or a bird.

4. I continued walking, and the path became steeper. I had to be careful not to slip. The air was cool and moist, and I could feel the humidity on my skin. I looked up at the towering trees and felt a sense of awe and wonder. Nature was truly magnificent.

5. As I reached the top of the hill, I saw a beautiful view of the valley below. The fields were green and lush, and the small villages were nestled in the folds of the land. The sun was low in the sky, and the light was golden. I stood there for a long time, taking in the beauty of the landscape.

6. I turned back and looked at the path I had just traveled. It seemed so long and arduous, but now it felt like a journey of discovery. I had found a new world, a place where nature was in harmony with itself. I felt a sense of peace and tranquility that I had never experienced before.

7. I walked back down the path, and the sun was setting. The sky was a mix of orange, red, and purple. The stars were beginning to appear, and the moon was rising. I felt a sense of closure and completion. I had found what I was looking for, and I was ready to go home.

8. I took one last look at the forest and the valley, and then I turned and walked away. The path was still there, but I knew I would never walk it again. I had found a special place, a place that would always be a part of me. I smiled and waved goodbye to the world I had just left behind.



2/3
1 This was not an unusual request by counsel in
2 similar cases where a club and officers of the
3 club were jointly charged and where the
4 purpose -- Excuse me, sir, I have a nose-
5 bleed and it has just come back again.

6 THE COMMISSIONER: Q. Take your time.

7 A. Where the club and the officers
8 were jointly charged and where the purpose
9 of the prosecution was to bring to a
10 termination all the operations in the
11 particular premises and by that particular
12 organization. It was not unusual to accept
13 a plea of guilty on behalf of the club and
14 allow the individuals -- allow the charges
15 against the individuals to be withdrawn.
16 And in this particular case I had no
17 knowledge of it and I said I would confer
18 with the police officers who were in charge
19 of the case to see what their attitude on
20 the matter was, as they had laid the charge
21 it was then for them to say whether or not
22 the charge should be withdrawn from their
23 point of view.

24 MR. WILSON: Q. Have you given us the
25 full extent of the proposal?

26 A. No. Mr. Dubin said the
27 individuals who were the officers of the
28 Lakeview Club also had, I believe it was,
29 three other charters, which at that time were
30



The first of these is the fact that the
 government has been unable to raise the
 necessary funds to meet its obligations.
 This is due to a number of factors,
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1 not being used, were not in use, but which were --
2 could, potentially, be used and they would be
3 willing to surrender those charters, as well
4 as the Lakeview charter, which of course
5 would be cancelled on a conviction.

6 Q. And, then, as you say, you did
7 make enquiries?

8 A. I enquired of the officer that
9 I found to be in charge of the case and
10 asked him if this proposal was agreeable
11 to him. He asked for time to consider it
12 and called me back and said it was not
13 agreeable to him and I conveyed that to Mr.
14 Dublin and I told the assistant Crown Attorney
15 who was prosecuting, I believe Mr. Graburn,
16 what had transpired and the case would go
17 ahead, win, lose or draw.

18 Q. That is all, thank you.

19 THE COMMISSIONER: Any questions?

20 MR. ROSE: I have no questions.

21 THE COMMISSIONER: That is all, thank you.

22
23 ---The witness withdraws.



(Signature)

as known facts has been of a different nature

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1 MR. WILSON: I will recall Mr. Bluestein.

2
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4
5
6 MAX BLUESTEIN, recalled.

7
8 ---Chair provided for the witness.

9 EXAMINATION BY MR. WILSON (Cont'd):

10
11 Q. Since you were last in the box this
12 morning we have had the testimony of Mr.
13 W.L. Walton, who has informed us that he, on
14 your instructions, prepared the 1959 and
15 1960 returns on your behalf. Also, he has
16 got certain information on your 1961 --
17 for your 1961 return but has not been able
18 to complete that because you have not given
19 him all the information. There is one
20 matter -- or, a number of matters I want to
21 ask you about as a result of his evidence.
22 In 1959 there is a declaration -- or, at
23 least, one of the items of income is the
24 sum of \$7,950, said to have been paid to you
25 by Perkins Furniture Company. Now, this is
26 the first we have heard of Perkins Furniture.
27 We certainly did not hear about Perkins
28 Furniture from you. What is the explanation?

29 A. What explanation? I don't know
30 what you mean.



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1 THE COMMISSIONER: I cannot hear you.

2 MR. WILSON: He says, "I don't know what
3 you mean".

4 Q. You know exactly what I mean.
5 Why have you talked about two other companies
6 but certainly not about Perkins Furniture.

7 A. What about it? What about
8 Perkins?

9 THE COMMISSIONER: Q. You told Mr.
10 Walton, or gave him the information in 1959
11 that you received a salary from the Perkins
12 Furniture & Appliances Limited?

13 A. That is right.

14 Q. Did you?

15 A. Yes.

16 MR. WILSON: Q. Why did not you tell
17 us about that before when you were asked?

18 A. You have asked me a million
19 questions. I don't remember. And you are
20 asking me again other questions. I don't
21 know what you are trying to get at. Is
22 there something wrong? Did I do something
23 wrong? What did I do? I got hit on the
24 head; I got sent to jail and I have been
25 persecuted, and everything has happened to
26 me for no reason at all. You are bothering
27 me about a salary I got that I declared.
28 What do you want from me? I don't under-
29 stand this.



THE FOLLOWING IS A SUMMARY OF THE INFORMATION RECEIVED FROM THE SOURCE:

1. The source is a male, approximately 35 years of age, of [redacted] descent.

2. He is currently residing at [redacted] in [redacted].

3. He has been employed by [redacted] since [redacted].

4. He has been in contact with [redacted] since [redacted].

5. He has been in contact with [redacted] since [redacted].

6. He has been in contact with [redacted] since [redacted].

7. He has been in contact with [redacted] since [redacted].

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30. He has been in contact with [redacted] since [redacted].



1 THE COMMISSIONER: Q. Who was Perkins
2 Furniture & Appliances Limited? Where were
3 they carrying on business?

4 A. On Yonge Street.

5 Q. For how long did you work for them?

6 A. I don't know. Mr. Walton must
7 have given you all the particulars. He has
8 everything in front of him.

9 Q. You told him in 1959 you worked
10 for them. Did you work for them before
11 that?

12 A. I don't know. I haven't got
13 the figures.

14 Q. Did you have some financial
15 interest in Perkins Furniture?

16 A. Are you suggesting that?

17 Q. I am asking you.

18 A. I would have told you that ^{if} I had
19 an interest.

20 Q. You would not tell me anything
21 you were asked.

22 MR. WILSON: Q. You were certainly
23 asked before and you did not tell us. Now,
24 being faced with it, you are just making
25 ridiculous statements. If you keep it up
26 I am going to ask that you be committed.

27 A. You are doing everything to me.
28 You go right ahead. I don't know.



THE PRESIDENT OF THE UNITED STATES

OFFICE OF THE SECRETARY OF THE ARMY

WASHINGTON, D. C.

1. The Secretary of the Army

2. The Secretary of the Navy

3. The Secretary of the War

4. The Secretary of the Interior

5. The Secretary of the Treasury

6. The Secretary of the State

7. The Secretary of the Education

8. The Secretary of the Agriculture

9. The Secretary of the Commerce

10. The Secretary of the Labor

11. The Secretary of the Health

12. The Secretary of the Veterans Affairs

13. The Secretary of the Housing

14. The Secretary of the Transportation

15. The Secretary of the Energy

16. The Secretary of the Environment

17. The Secretary of the Social Security

18. The Secretary of the Medicare

19. The Secretary of the Medicaid

20. The Secretary of the Social Services

21. The Secretary of the Child Welfare

22. The Secretary of the Juvenile Justice

23. The Secretary of the Adult Corrections

24. The Secretary of the Probation

25. The Secretary of the Parole

26. The Secretary of the Prison Industry

27. The Secretary of the Prison Labor

28. The Secretary of the Prison Education



C/JHG/1

1 THE COMMISSIONER: Q. Wait a minute. I
2 asked you a question. Did you have some
3 financial interest in Perkins Furniture &
4 Appliances Limited?

5 A. I didn't.

6 Q. Who was the boss of that company?
7 Who did you deal with?

8 A. Mr. Bluestein.

9 Q. Irving Bluestein?

10 A. That is right.

11 Q. Were you paid by cheque or cash?

12 A. By cheque, your lordship.

13 MR. WILSON: Q. What did you do for
14 Perkins Furniture? What was your job there?

15 A. The same thing as I am doing here.
16 I am a good man. I am a very good man in the
17 business.

18 Q. Well, I mean just how did that
19 express itself? Did you sell furniture?

20 A. No, I didn't sell no furniture.

21 THE COMMISSIONER: Q. What did you do?

22 A. Just what I done for -- what I
23 am doing now. I am a very good man in the
24 furniture field, one of the best.

25 Q. Well, whether you are good, bad
26 or indifferent, just tell me now what you
27 did?

28 A. Created ideas.

29 Q. Yes.
30



1 MR. WILSON: Q. Did you buy furniture on
2 their behalf?

3 A. I have done a little bit of every-
4 thing. I have done a little bit of everything.

5 Q. Who -- is that company still in
6 operation?

7 A. You know they're not in operation.

8 Q. I don't know. I am asking you.

9 A. You know they're not in operation.
10 I am answering you.

11 THE COMMISSIONER: They are not in
12 operation.

13 MR. WILSON: I know nothing, but you
14 just answer the questions.

15 THE COMMISSIONER: Q. When did they go
16 out of operation, Bluestein?

17 A. I haven't -- I guess Mr. Wilson
18 would know better than I. He would have to
19 give that.

20 MR. WILSON: Q. When did you last work
21 for them?

22 A. I haven't got the figures in
23 front of me. I wouldn't know.

24 THE COMMISSIONER: Q. Did you work
25 for them up to the time they quit business?

26 A. I imagine so.

27 Q. You did?

28 A. I imagine so. I'm not sure.

29 MR. WILSON: Q. Did you work for them
30



1. The first part of the report is devoted to a general survey of the situation in the country. It is a very interesting and useful survey, and it is well worth reading. The second part of the report is devoted to a detailed study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The third part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The fourth part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The fifth part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The sixth part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The seventh part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The eighth part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The ninth part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading. The tenth part of the report is devoted to a study of the various aspects of the situation. It is a very thorough and well-written study, and it is well worth reading.

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1 this year at all?

2 A. No, I haven't.

3 Q. Did you work for them last year
4 at all?

5 A. I don't think so.

6 Q. Did you work for them in 1960?

7 A. I don't know. I haven't got the
8 figures. I would tell you if I had the
9 figures.

10 Q. Who did you report to in that
11 company? What individual or individuals did
12 you report to?

13 A. I don't know what you mean by
14 "report".

15 Q. All these wonderful ideas you
16 speak about, I take it you conveyed them to
17 some person?

18 A. Yes, to the boss.

19 Q. Who was the boss?

20 A. The fellow who owned the place.

21 Q. Your brother?

22 A. You are asking me questions. You
23 are putting words in my mouth.

24 THE COMMISSIONER: He is asking you
25 questions, not putting words in your mouth.

26 A. I said the boss.

27 Q. Who was the boss?

28 A. The boss who owns it.

29 Q. Who was it?
30



1. The first part of the book is devoted to a general
2. introduction to the subject of the book.
3. The second part of the book is devoted to a
4. detailed description of the various methods
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A. Mr. Bluestein.

Q. Why didn't you say Mr. Bluestein?

A. I said the boss.

MR. WILSON: Q. Was your brother the boss?

A. If that's what you want -- is that the plug you want?

Q. I don't want any plug, I just want the truth from you if that is possible. Now, was it your brother?

THE COMMISSIONER: He said yes.

MR. WILSON: All right.

Q. Now, he is the man throughout that you made your reports to and you dealt with in your association with that company?

A. That's right.

Q. Now, what was your salary arrangement there?

A. The Income Tax Department have that.

THE COMMISSIONER: You tell us.

A. I got paid.

Q. How much a week or month?

A. I think it was a hundred and fifty. I'm not sure.

MR. WILSON: Q. Now, why didn't you --

THE COMMISSIONER: Q. A hundred and fifty per what?

A. Per week.



1 MR. WILSON: Q. Why didn't you tell Mr.
2 Walton about the income you have sworn to that
3 you received from Scandia House?

4 A. I don't know what you're talking
5 about. Why didn't you have Mr. Walton -- he
6 was here. He told you. He had all the
7 figures. He knows more than I know about it.

8 THE COMMISSIONER: He doesn't know why
9 you didn't tell him about Scandia House.
10 You are being asked now.

11 A. Bring him in here. I will straighten
12 it out with him.

13 Q. No. We have had him here, now
14 we have you here.

15 A. If Mr. Walton would be here, I
16 would be able to straighten it out.

17 Q. You straighten it out with ---

18 A. I don't know what you are
19 getting at. If Mr. Walton and I -- if he
20 comes over here, I will discuss it with him.

21 Q. No, you discuss it with me.
22 Why didn't you tell him about the income you
23 said earlier you received from Scandia House?

24 A. He said I didn't tell him?
25 Did he say I didn't tell him?

26 Q. Yes.

27 A. Well, I think I did tell him.
28 In fact, I am sure. I think he is a little
29 mistaken, Mr. Walton.
30





1 MR. WILSON: Q. Now, Mr. Walton has also
2 told us that you never told him about any
3 association you had with Garmac or of any
4 income you might have received from that
5 enterprise. Why didn't you do so?

6 A. I didn't tell him?

7 Q. You heard the question.

8 A. Is that right?

9 Q. You heard the question.

10 A. Didn't I tell you Mr. Cerezni was
11 my accountant, your lordship?

12 THE COMMISSIONER: Yes.

13 A. Why don't you call Mr. Cerezni up
14 here and ask him if he give Mr. Walton the
15 papers?

16 Q. Mr. Walton has sworn all the
17 information he received, he received from you.

18 A. Mr. Walton?

19 Q. And you did not give him any
20 information about this Garmac Associates.
21 Why didn't you give him that information?

22 A. I told you Mr. Cerezni was my
23 accountant.

24 Q. You told us that yesterday.

25 A. I don't know why you subpoenaed
26 Mr. Walton when I told you Mr. Cerezni was my
27 accountant. I don't understand it.

28 Q. Mr. Cerezni has not made out any
29 of your income tax returns for you?
30





1 A. He is handling it. I have told
2 you before and I am telling you again. He is
3 looking after my 1961 income tax. In fact,
4 I think I gave you his card.

5 MR. WILSON: We have had all that.

6 A. I think ---

7 Q. Now, did you ever tell Mr. Fisher,
8 who was your accountant before you had Mr.
9 Walton do your returns, anything about
10 either Scandia House or Garzac? Did you
11 ever tell Mr. Fisher about it?

12 A. I don't remember, sir.

13 Q. You don't remember?

14 A. No, sir.

15 Q. That is all for the moment.

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21
22 EXAMINED BY MR. REEVE:

23 Q. Mr. Bluestein, you told his lordship
24 yesterday that you used the Lakeview and
25 Ringside Club in connection with your
26 gambling operations for seven and a half
27 years. Can you tell me which years you
28 used the Lakeview Club and operated at the
29 Lakeview Club?
30



THE UNITED STATES OF AMERICA

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1 A. I believe the Lakeview Club -- if
2 I am not mistaken, I think it opened in 1956.

3 Q. How long did you operate there?

4 A. I think we lasted there three
5 and a half years.

6 Q. That would be some time in 1959
7 you closed down there?

8 A. No, we got arrested.

9 Q. I suppose that closed you down?

10 A. That's right.

11 Q. Then when did you operate the
12 Kingside Club?

13 A. I think it was in 1952.

14 Q. And you operated in the Kingside
15 Club from 1952 to 1956?

16 A. Roughly.

17 Q. Why did you leave or cease operating
18 in the Kingside Club?

19 A. We couldn't make any money.

20 Q. You made no money on that operation?

21 A. No. It was bad. It was no good.
22 We closed it up.

23 Q. Tell me, why did you always use
24 a chartered club as your base of operations?

25 A. I never always used chartered
26 clubs.

27 Q. When did you not use chartered
28 clubs?

29 A. I think I said I have been booking
30



1 I believe the evidence is that
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1 for about twenty years.

2 Q. And these were the only instances
3 when you made hook in a chartered club premises?

4 A. To the best of my knowledge,
5 that's right.

6 Q. Why did you use those premises?

7 A. I don't follow you.

8 Q. Let's start with the Ringside
9 Club. Why did you carry on in the Ringside
10 premises?

11 A. I figured I would be in and take
12 a little business there. You have a little
13 bit more protection in a club than you would
14 have in a restaurant. In a restaurant you
15 can lose a licence.

16 Q. Why did you have more protection
17 in the club?

18 A. Because it is private membership.
19 People can't come in.

20 Q. How do you keep them out?

21 A. If you were to come up there, I
22 would say, "What do you want?" "I want to
23 be a member." "I'm sorry", you would have
24 to leave, and we would take our action again.

25 Q. That is the reason you used
26 these clubs, to control people attending
27 your games?

28 A. There was no games.

29 Q. Why did you want ---
30



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NEW YORK 19



1 A. There was no games. What do you
2 mean, games?

3 Q. Why did you want to keep people
4 out?

5 A. You may be a policeman. You
6 come up there. If it is a restaurant, you
7 can come in the restaurant, sit down, have a
8 cup of coffee and a sandwich and hear
9 everything that is going on. In a club,
10 you wouldn't be allowed in. Therefore, we
11 would be able to take action.

12 Q. You just discovered this device
13 in 1952, did you?

14 A. No.

15 Q. Was it pretty well known in the
16 gambling fraternity that these clubs are a
17 good way to operate?

18 A. I didn't say it's a good way.
19 We had the Ringside Club. We closed it up
20 because we couldn't make any money.

21 Q. How did you get the Ringside
22 Club?

23 A. I believe I got it from Marny
24 Stone.

25 Q. How?

26 A. What do you mean?

27 Q. How? What did you do? Did he
28 give you a piece of paper and tell you, "Here,
29 Mr. Bluestein, is the Ringside Club?"
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A. Well, Manny Stone gave it to me.

THE COMMISSIONER: Q. Gave you what?

A. The charter.

MR. ESTEY: Q. He gave you a piece of paper and said, "Here is the charter"?

A. He arranged everything.

Q. What did he give you? How did you know you had the club? It was yours, you said?

A. There was no such thing as having a club. You get the charter, say you change the directors or whatever it is, and you ---

Q. When you got the Ringside Club, did you change the directors?

A. I think Manny Stone looked after everything. I don't remember. It is so long ago.

Q. Who were the directors when you ran the club?

A. I don't remember now.

Q. Zeldon?

A. Yes, I think so.

Q. Binder?

A. I think so. I'm not sure.

Q. Borenstein?

A. It could be.

Q. Manny Stone lined these people up for you, did he?

A. Yes, that's right.

X



1 Q. Did you have minute books or some
2 kind of record?

3 A. I never looked after that.

4 Q. You didn't attend any meetings?

5 A. We had meetings now and again.

6 Q. What did you have them for?

7 A. It's like any business. You have
8 a meeting.

9 Q. What would you do at these meetings?

10 A. You attend a regular meeting.

11 Q. Were you ever an officer of the
12 Kingside Club?

13 A. No, sir.

14 Q. Were you a member?

15 A. Yes, sir.

16 Q. When did you join the club?

17 A. I don't remember that.

18 Q. How much did you pay Manny Stone
19 for the charter?

20 A. I never paid for the charter.

21 Q. Why did he bother then to fix
22 it up?

23 A. If I got lucky with the charter,
24 I would have give him some.

25 Q. What do you mean, get lucky with
26 the charter?

27 A. If I had made some money, I would
28 have give him ---

29 Q. How would you make money with the
30



The first part of the report is devoted to a general survey of the situation in the country.		1
The second part of the report is devoted to a detailed analysis of the economic situation.		2
The third part of the report is devoted to a detailed analysis of the social situation.		3
The fourth part of the report is devoted to a detailed analysis of the political situation.		4
The fifth part of the report is devoted to a detailed analysis of the cultural situation.		5
The sixth part of the report is devoted to a detailed analysis of the environmental situation.		6
The seventh part of the report is devoted to a detailed analysis of the international situation.		7
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The ninth part of the report is devoted to a detailed analysis of the conclusions.		9
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The thirteenth part of the report is devoted to a detailed analysis of the index.		13
The fourteenth part of the report is devoted to a detailed analysis of the appendices.		14
The fifteenth part of the report is devoted to a detailed analysis of the maps.		15
The sixteenth part of the report is devoted to a detailed analysis of the tables.		16
The seventeenth part of the report is devoted to a detailed analysis of the figures.		17
The eighteenth part of the report is devoted to a detailed analysis of the charts.		18
The nineteenth part of the report is devoted to a detailed analysis of the diagrams.		19
The twentieth part of the report is devoted to a detailed analysis of the photographs.		20



1 charter?

2 A. I was going to do a little gambling.

3 Q. What kind of gambling?

4 A. Bookmaking.

5 Q. Did Manny Stone know that?

6 A. Yes.

7 Q. Was he a kind of a partner? If
8 you made money ---

9 A. He would have made some money
10 with me.

11 Q. He was a partner in the sense
12 that if you make money, he would make money?

13 A. Well, I would say he would get
14 something.

15 THE COMMISSIONER: I can't hear you.

16 THE WITNESS: I would say he would get
17 something.

18 MR. ESTEY: Q. He would get something
19 for the charter, split the profits in some
20 form with you?

21 A. No, he didn't. I would give
22 him something.

23 Q. What do you mean by that? You
24 would give him back the charter?

25 A. No, the charter -- he could
26 have the charter any time he wanted. What
27 good is a charter? The charter is no good.

28 Q. We will come back to that.
29 What did you mean, give him something? What
30



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1 would you give him?

2 A. Some money if I got lucky.

3 Q. If you had got lucky, you would
4 have given him some money. How were you going
5 to figure out how much to give him?

6 A. There was no figure. The charter
7 was no good to him.

8 Q. It was just up to you?

9 A. There are a lot of charters around
10 that people don't use. They let them go
11 defunct.

12 Q. There are quite a few around?

13 A. I imagine so. They're no good.

14 What good is a charter?

15 Q. How were you going to figure out
16 how much to give Manny Stone?

17 A. There was no set figure.

18 Q. It was up to you to decide?

19 A. That's right.

20 Q. Was Manny Stone an officer of the
21 club?

22 A. Not to my knowledge.

23 Q. Did you ever see the charter, the
24 piece of paper with Letters Patent at the top?

25 A. I believe I have.

26 Q. A big red seal on the bottom.

27 You have seen it, haven't you?

28 A. I believe I have.

29 Q. You kept it on the premises,
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THEY WERE NOT

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1 didn't you?

2 A. That's right.

3 Q. In fact, I suppose you kept it on
4 the premises, Mr. Bluestein, because the
5 police could come around and you could show
6 them this was a chartered club?

7 A. That's right.

8 Q. Was there any reason why you
9 weren't an officer of this club?

10 A. If I was an officer -- I couldn't
11 very well be an officer of any charter, being
12 a bookmaker.

13 Q. It wasn't sensible for you to
14 be an officer because you would get into
15 more trouble?

16 A. No, I didn't say that. I say
17 it wouldn't be sensible for me to be on a
18 charter, being a bookmaker.

19 Q. So you had to get somebody?

20 A. A charter would be automatically
21 if I ever ---

22 Q. Perhaps so. In any event, you
23 had to get some one to hold those offices
24 for you?

25 A. All I know, if I was on a charter
26 it would be cancelled automatically. They
27 wouldn't allow no charter.

28 Q. You said that. I understand that.
29 You had to get somebody to hold those offices
30





1 for you. You had to have a president and a
2 secretary and Manny Stone got those for you,
3 you told me?

4 A. That would be like a front man.

5 Q. That would be your front man.
6 Now, who reported to the Parliament Buildings
7 every year for you? You are familiar with
8 the fact that every year you must send in
9 a return for the Ringside Club?

10 A. The kid who looked after that.

11 THE COMMISSIONER: Q. Who?

12 A. The fellow ---

13 MR. ESTEY: Q. Who was he, a lawyer?

14 A. Binder looked after that, I
15 think. I'm not sure.

16 Q. Did you pay Binder for that?

17 A. Binder had a piece of the
18 operation. He was a partner.

19 Q. So he is a partner who took that
20 on as one of his jobs and he filed all those
21 returns you had to file?

22 A. I think he looked after it all.

23 Q. What was Binder, the president?

24 A. I think he was the secretary.

25 Q. Who was the president?

26 A. I don't know. You got it there.

27 Q. Was it Zeldon?

28 A. It could be.

29 Q. Joe Zeldon?

30

C/3



1 The first of these is the fact that the
2 number of cases has been increasing for some time
3 and it is not possible to say that the increase is
4 due to any one cause. It may be due to a
5 change in the habits of the population, or it may
6 be due to a change in the methods of diagnosis,
7 or it may be due to a change in the methods of
8 treatment. It is not possible to say which of these
9 factors is the most important, but it is clear that
10 the number of cases is increasing and that this
11 is a matter of concern to the public health
12 authorities. It is therefore necessary to take
13 steps to prevent the further increase of cases,
14 and to treat those who are already affected.
15 The first of these steps is to improve the
16 general health of the population, by encouraging
17 a healthy diet, and by providing adequate
18 housing and sanitation. It is also necessary to
19 improve the methods of diagnosis, and to ensure
20 that all cases are reported to the authorities.
21 Finally, it is necessary to improve the methods
22 of treatment, and to ensure that all cases are
23 treated as soon as possible. It is only by taking
24 these steps that it will be possible to prevent
25 the further increase of cases, and to ensure
26 that the public health is maintained at a high
27 level.

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A. Probably so.

Q. Did he have a piece of the club?

A. We were partners.

Q. What about Borenstein? Was he a partner too?

A. No.

Q. Sol Borenstein?

A. He was just a nominee.

Q. Did he get paid for acting as a front man?

A. No, he never got no money, I don't think.

Q. Why did he do it?

A. Why do a lot of people get charters?

Q. I don't know. Why did he do it?

A. That's what I am trying to explain to you. You ask a fellow to be secretary here or something, so he gets on there. That's all.

Q. He gets on. Well, what Ben Nefsky? Was he an officer too?

A. It's a long time ago. I don't remember.

Q. This is way back in 1959. What about Ben Nefsky? Who was he? He was a director, wasn't he? Wasn't he?

A. I believe he was.

Q. He was an officer also. Did he get paid for acting as a front man or was he



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1 a partner?

2 A. He was director of the club.

3 Q. He wasn't a partner in the gaming
4 operations?

5 A. No, Sir.

6 Q. Now, how did you happen to run
7 across Manny Stone and the Ringside charter?
8 How did you find out about the charter
9 being available?

10 A. Manny Stone had it.

11 Q. You tell me about it.

12 A. He told me about it.

13 Q. Did you know Manny Stone before
14 1952?

15 A. I know Manny Stone for a long time.

16 Q. Did he come to you and say, "I
17 have a charter"?

18 A. That's right.

19 Q. He did. How did he know you
20 wanted a charter? You don't run an ad for
21 those things. How did he know?

22 A. How? He just -- he didn't know
23 I wanted a charter. He said to me one day,
24 "If you want a charter, I'll give you a
25 charter."

26 Q. About that time I suppose it
27 was a general practice for gamblers to
28 acquire these charters?

29 A. I don't know nothing about it.
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1 Q. You do know it is a general
2 practice?

3 A. I don't know that.

4 Q. You don't know that?

5 A. No, I don't.

6 Q. How many charters have you had
7 such as the Ringside charter? How many other
8 charters have you been involved with?

9 A. You mean operating clubs?

10 Q. Yes.

11 A. I have been in two clubs.

12 Q. Just two. Are those the only two
13 charters you have had anything to do with?

14 A. I believe so.

15 Q. Do you swear to that?

16 A. I said I believe so. I could be
17 wrong.

18 Q. I would like to know if you swear
19 those are the only two you have had anything
20 to do with.

21 A. If my memory serves me correct,
22 I believe so.

23 Q. How did you dispose of the
24 Ringside charter in 1956? You told us you
25 closed down there because, as you say, it
26 wasn't profitable. How did you dispose of
27 the charter? What did you do?

28 A. I think it was sent in, sent
29 back to the Buildings.
30



Yours very truly

W. D. Howells

Dear Mr. Howells

I am very glad to hear

from you and hope you are

well and happy as usual

and hope you are

very busy with your

work

I have not much news to write

at present but will write again

when I have more news to write

I am very truly

Yours very truly

W. D. Howells

W. D. Howells

I have not much news to write

at present but will write again

when I have more news to write

I am very truly

Yours very truly

W. D. Howells

I have not much news to write

at present but will write again

when I have more news to write

I am very truly

Yours very truly

W. D. Howells



1 Q. You mailed it back to the Parliament
2 Buildings?

3 A. I think they did. I'm not sure
4 what they did with it. It never operated
5 after it closed up as a club.

6 Q. Did Binder stop filing returns,
7 do you know?

8 A. I don't know. I think he filed
9 returns or they would have cancelled it out.

10 Q. When was it -- it was 1959.
11 Did you tell me it was closed out in 1959,
12 Mr. Bluestein?

13 A. No, I think it was closed in
14 1956. I'm not sure.

15 Q. What happened after 1956 with
16 the charter?

17 A. They kept it alive. They never
18 used it for no gambling.

19 Q. Why did they keep it alive?

20 A. They figured some day they would
21 get a liquor licence. I guess a lot of
22 people figured -- or get a little race track.

23 Q. You were going to use one of
24 these charters to run a race track. They
25 figured dog races were coming?

26 A. Maybe they could use it for dog
27 races.

28 Q. And Binder kept filing the
29 returns?
30



1 A. I imagine so, but never used it as
2 a gaming club.

3 Q. What address did you use it at?

4 A. I don't remember what address.

5 Q. In 1956, where were you operating
6 your games or betting?

7 A. Brunswick and College.

8 Q. So that that is where the Ringside
9 charter was sited at that time?

10 A. Yes, sir.

11 Q. And then when you closed the club,
12 did you give up possession of the premises?

13 A. Yes, sir.

14 Q. How did you occupy those premises,
15 under a lease?

16 A. I believe it was.

17 Q. Was the Club the tenant or were
18 you the tenant?

19 A. I don't follow you.

20 Q. Who was the tenant at Brunswick
21 and College where you carried on your
22 operations? Who paid the rent?

23 A. I think I paid the rent. I'm not
24 sure. I paid the rent, I think.

25 Q. Did you have a lease?

26 A. I may have. I'm not sure.

27 Q. A piece of paper with the terms on?

28 A. It could be. I'm not positive.

29 Q. Did you sign a lease?
30



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1 A. I'm not sure.

2 Q. Did you have a meeting about that?

3 A. I don't remember. It is a long
4 time ago. You are going away back.

5 Q. When you vacated the premises,
6 how did you get out? Did you have to keep
7 paying rent?

8 A. No. The lease must have been up.

9 Q. The lease expired?

10 A. I imagine so.

11 Q. Tell me, did you keep books at
12 the Ringside Club? I mean legitimate books,
13 income and expenditure, or did you have any
14 record of the club's money?

15 A. Everything has to be legal with
16 the club.

17 Q. You can't fool with the club?

18 A. No. If you don't take care of
19 your charter, your minutes, you will
20 automatically lose the charter.

21 Q. Who did you hire to keep the
22 minutes? Who was the lawyer?

23 A. I think Binder looked after that.

24 Q. Is he a lawyer?

25 A. I think Binder looked after that.
26 I'm not sure.

27 Q. Is Binder a lawyer?

28 A. No.

29 Q. Did you have a lawyer at all in
30

[illegible][illegible]



1 connection with that club? How did Binder
2 swear the affidavit on the annual return?

3 A. I don't know.

4 Q. Where was the minute book kept?

5 A. I don't know. Binder looked
6 after that.

7 Q. Did you ever see the minute book?

8 A. I never paid any attention to it.

9 Q. Did you ever see it?

10 A. I probably have but I wasn't
11 interested in it.

12 Q. Did the club have a bank account?

13 A. I imagine they had a bank account.

14 Q. Who operated the bank account,
15 you?

16 A. Binder, I guess.

17 Q. Binder. What did you put in the
18 bank account, membership fees?

19 A. Binder looked after that.

20 Q. What were the membership fees?

21 A. I don't know. Binder -- I forget
22 what it was.

23 Q. What did you pay?

24 A. What I paid? I didn't pay nothing.

25 Q. All right, let's start at the
26 Lakeside.

27 THE COMMISSIONER: The Lakeview.

28 MR. ESTEY: The Lakeview. Excuse me.

29 Q. You opened up the Lakeview Club in
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C/A

1 what year?

2 A. I think it was '58 or '57; I'm not
3 sure.

4 Q. Where did you get that charter?

5 A. I know nothing about the charter.

6 Q. How did you get into the club
7 premises?

8 A. I just went in there. I don't
9 remember now.

10 Q. These clubs were restricted to
11 members. How did you get by the front door?

12 A. Well, the_y know you aren't a
13 policeman, you can become a member. If they
14 know you, you're all right.

15 Q. You started to operate there.
16 What kind of operation did you carry on
17 there?

18 A. Same as I did in the Ringside.
19 We took some bets.

20 Q. Who were the officers of the
21 club?

22 A. Binder.

23 Q. The same group as over at the
24 ringside?

25 A. Binder.

26 Q. What address did you operate at
27 there?

28 A. It was Eginton and Bethurst.

29 Q. Did you have a lease there?
30





1 A. Yes, sir.

2 Q. Did the club have the lease or did
3 you have the lease?

4 A. I forget now.

5 Q. You used the same officers as at
6 the Ringside. How did you dispose of the
7 other officers, the former officers? Did
8 Binder and Zeldon move in?

9 A. I forget how it worked.

10 Q. What lawyer looked after that
11 part for you?

12 A. I think Binder looked after it all.
13 I don't know nothing about the Lakeview
14 charter at all.

15 Q. Did you pay anybody for that
16 charter?

17 A. I don't know nothing about that.

18 Q. Did you pay to use the club
19 premises?

20 A. Well, I think if they were short
21 money I would give them some money towards
22 paying the rent.

23 Q. What operation was carried on at
24 the Lakeview?

25 A. The club door was open. The
26 police could come in there any time, but if
27 the police came in, there was nothing there
28 for them to make an arrest with. We wouldn't
29 have a scratch sheet or racing form there.
30



1 We would have nothing so the police come in,
2 they would find nothing.

3 Q. Did you have a ticker-tape or
4 a teletype?

5 A. Part of the time.

6 Q. When was that?

7 A. I don't remember exactly.

8 Q. What was it for?

9 A. It gives you results.

10 Q. Of what?

11 A. Of an inning by baseball, football ---

12 Q. Sporting or racetrack?

13 A. No horses.

14 Q. Who put that in the club? Did
15 the club pay for it?

16 A. That's right.

17 Q. The Lakeview Club paid for that?

18 A. I think it was \$90 a month.

19 Q. That was the C.M.R. teletype
20 service?

21 A. That is right.

22 Q. Where did the club get the \$90
23 to pay for it?

24 A. It would get card money.

25 Q. People would buy decks of cards
26 for the club?

27 A. No, they bought the cards.

28 Q. They paid for the use?

29 A. No. They were supposed to run
30



and other things that are not mentioned in the

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1 up -- you are supposed to pay ten cents an hour.

2 Q. Is that where the \$90 came from?

3 A. We broke the law. We charged
4 more.

5 Q. That is where ---

6 A. They didn't know nothing about it
7 as far as ---

8 Q. What did you do with the money
9 you collected that way? Did you put it in
10 the club bank account?

11 A. Binder looked after that.

12 Q. I know, but what did he do with it?

13 A. I guess he put it in the bank.

14 Q. How did you get the money out of
15 the bank?

16 A. I had nothing to do with that.

17 Q. What happened to that club
18 finally?

19 A. We got arrested.

20 Q. Then the charter was cancelled?

21 A. Yes, sir.

22 Q. What did you do with the property
23 when the property was cancelled?

24 A. Binder looked after that.

25 Q. Did Binder give you any part of
26 the bank account when the charter was
27 cancelled?

28 A. The bank account?

29 Q. Yes. You told us you had a bank
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1. The first part of the book is devoted to a general survey of the subject.
2. The second part is devoted to a detailed study of the various aspects of the subject.
3. The third part is devoted to a study of the various aspects of the subject.
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30. The thirtieth part is devoted to a study of the various aspects of the subject.



1 account. What did you do with that when the
2 charter was cancelled?

3 A. We had to issue money.

4 Q. Pardon?

5 A. There was no money. We had to
6 give in money to put in the bank. We couldn't
7 make any money when the police were coming up.

8 Q. They were scaring your customers
9 off?

10 A. That's right.

11 Q. What did you have to do with the
12 Queen City Club, the Queen City Chess and
13 Bridge Club? What did you have to do with
14 that?

15 A. The Queen City never operated --
16 as just a private club. They never had a
17 package of cards in there.

18 Q. No teletype?

19 A. No, no, no.

20 Q. No cards?

21 A. Nothing.

22 Q. Did any people ever go there?

23 A. They probably got together to do
24 a little gambling but there was no -- it
25 wasn't ---

26 Q. Did you ever attend there?

27 A. No.

28 Q. Did Carl Keyfetz, the lawyer,
29 act for you in connection with either of the
30



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1 two clubs we have talked about?

2 A. I don't think I know him.

3 Q. Did Manuel Wineberg act for you?

4 A. I think I know Mr. Wineberg.

5 THE COMMISSIONER: Q. Did he act for you?

6 A. It could be.

7 MR. ESTEY: Q. Did he act for you in
8 connection with the Lakeview Club?

9 A. I think Binder looked after that.

10 Q. I know Binder looked after that.
11 He looked after most everything. Did Wineberg
12 help Binder?

13 A. I don't know what you mean by --
14 I don't know what you mean by help.

15 Q. You know Wineberg. He acted
16 for you on some occasions?

17 A. I don't know what you mean by
18 help.

19 Q. I will drop the question and go
20 at it in another way and probably you will
21 understand. Wineberg acted for you on some
22 occasions. He performed legal services
23 for you?

24 A. It could be.

25 Q. No, I want to know. He did,
26 didn't he?

27 A. I don't know.

28 Q. I am not asking you on which
29 occasions, I am asking you if Wineberg ever
30



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1 acted for you.

2 A. He may have. I don't remember.

3 Q. Why do you think he may have?

4 A. Because I know him.

5 Q. You know lots of people who don't
6 perform legal services for you. You do know
7 he did act for you, don't you?

8 A. The only way -- I don't know
9 what you mean by act for me.

10 Q. Perform legal services for you?

11 A. He may have.

12 Q. You know he did but you don't
13 know when, is that right?

14 A. He may have. I don't know.

15 Q. I see. All right, let's turn back
16 to the Queen City Chess and Bridge Club. Were
17 you ever there?

18 A. I said there was no such club.
19 There was never ---

20 Q. You told me there was no game
21 there, but were you ever at the club?

22 A. At the club?

23 C. Yes.

24 A. No.

25 Q. Did you ever go anywhere with your
26 brother Irving?

27 A. Yes.

28 Q. Irving is shown as president of
29 the Queen City Chess and Bridge Club?
30



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A. Yes.

Q. You knew that before I told you?

A. Yes.

Q. How did you know it?

A. Because I knew it.

Q. You have been there with him?

A. Where?

Q. The Queen City Chess and Bridge Club?

A. There was no such club.

Q. You say the answer is no?

A. No, my answer to you is that there was never no club.

Q. No such club?

A. They had a charter but there never was a club. It was never used.

Q. Who had the charter? Who had the charter?

A. There was no club.

THE COMMISSIONER: Q. Who had the club, Irving?

A. That's what he says.

Q. No, I am asking you. Did your brother Irving have the charter?

A. He had a charter.

Q. He had the charter?

A. Yes.

MR. ESTEY: Q. He had the charter?

A. If you say so.



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1 THE COMMISSIONER: Q. Pardon?

2 A. If he says so, it's all right.

3 Q. No, I am asking you. What do
4 you say?

5 A. I don't say nothing.

6 MR. ESTEY: Q. I heard you say ---

7 A. I don't say nothing. You said
8 to me do I ever go any place with Irving.
9 I said yes.

10 Q. Let's get up to date. If
11 Bluestein, your brother, is shown as the
12 president of the Queen City Chess and Bridge
13 Club, you agree with that?

14 A. Yes.

15 Q. It is a chartered club. You say
16 they have a charter but it didn't operate?

17 A. That's right.

18 Q. Irving is the one who had the
19 charter?

20 A. I don't understand what you
21 mean by operate. Operate what? You could
22 have a club. If I had a club in your home,
23 would you call that -- I don't know what
24 you mean by club. The Y.M.C.A. is a club.

25 Q. I will go at it another way.
26 Perhaps you will understand. There was a
27 charter. Your brother Irving was the
28 president of the Queen City Chess and Bridge
29 Club and it was a chartered club and your
30

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1 brother had the charter. Is that correct?

2 You can't shake your head because the Reporter
3 can't write that down. Is that correct?

4 A. That's right.

5 THE COMMISSIONER: Q. You agree with all
6 that?

7 A. Yes, all right.

8 MR. ESTEY: Q. Did you ever hear of a
9 gentleman by the name of Bernard Friedman in
10 connection with that club, that charter?

11 A. Bernard Friedman?

12 Q. Yes. Did you ever hear of him?

13 THE COMMISSIONER: Q. What is your
14 answer?

15 A. I don't know. Maybe I did know
16 Bernard Friedman. I don't know.

17 Q. Did you ever hear of him?

18 A. Maybe I know him well, maybe I
19 don't know him at all.

20 Q. Did you ever hear of Bernard
21 Friedman?

22 A. It don't ring a bell.

23 MR. ESTEY: Q. He has stated in the
24 filed for that club that the charter was sold.
25 He goes on to say the club got the buyer. It
26 was Bluestein. Would that be you?

27 A. I never met that man in my life.
28 This Bernard Friedman, he believes, he
29 believes.
30





1 Q. He believes. Would the buyer
2 Bluestein in that reference be you?

3 A. I don't know Bernard Friedman.

4 Q. Would the buyer mentioned by
5 him, Bluestein, be you?

6 A. I don't think so.

7 Q. Would it be Irving?

8 A. I don't know.

9 Q. Irving was the president. Did
10 your brother deal in charters?

11 A. My brother don't know nothing
12 about anything like this.

13 Q. The the Bluestein was you?

14 A. I don't think so.

15 Q. But you are not sure. It could
16 have been you. Why did you acquire the
17 Queen City?

18 THE COMMISSIONER: What is his answer?

19 THE WITNESS: I didn't say I acquired ---

20 MR. ESTEY: Q. The buyer could have
21 been you?

22 A. I know nothing about it.

23 THE COMMISSIONER: Perhaps you would
24 think better if you stood up for a while.

25 THE WITNESS: I don't feel too good.

26 THE COMMISSIONER: Pardon?

27 THE WITNESS: Your lordship, I don't
28 feel so hot.

29 THE COMMISSIONER: You will feel good
30



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1 enough to raise your voice. Have you a headache?

2 THE WITNESS: No. I got a shot last
3 night from the doctor.

4 Q. What doctor?

5 A. From my doctor.

6 Q. What is his name?

7 A. Capon.

8 Q. C-a-p-o-n?

9 A. Yes.

10 MR. ESTEY: Q. What kind of a shot was
11 that?

12 A. For nerves.

13 Q. We got as far as your brother Irving
14 being president, and Bluestein who was said to
15 have bought the charter. You are not sure
16 if it was you or your brother. Is that
17 right?

18 A. Bring Bernard Friedman up here
19 and let him identify me. See if he knows
20 me. That's the only way.

21 Q. I want to know from you whether
22 you bought the Queen City charter or did your
23 brother buy it?

24 A. I never bought no charter. I
25 never bought no charter in my life.

26 Q. Then did you acquire it?

27 A. I know nothing about it. I never
28 bought no charter in my life.

29 Q. You acquired the Ringside charter,
30



1. The Government of India, Ministry of Education, is pleased to inform that the following list of books has been approved for the syllabus of the Central Board of Secondary Education (CBSE) for the year 2023-24.

2. The books are as follows:

S. No.	Name of the Book	Author	Price
1.	English	Dr. P. N. Gopalan	Rs. 100/-
2.	Mathematics	Dr. P. N. Gopalan	Rs. 100/-
3.	Science	Dr. P. N. Gopalan	Rs. 100/-
4.	History	Dr. P. N. Gopalan	Rs. 100/-
5.	Geography	Dr. P. N. Gopalan	Rs. 100/-
6.	Political Science	Dr. P. N. Gopalan	Rs. 100/-
7.	Economics	Dr. P. N. Gopalan	Rs. 100/-
8.	Social Science	Dr. P. N. Gopalan	Rs. 100/-
9.	Physical Education	Dr. P. N. Gopalan	Rs. 100/-
10.	Art and Craft	Dr. P. N. Gopalan	Rs. 100/-
11.	Music	Dr. P. N. Gopalan	Rs. 100/-
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3. The books are available for purchase from the following sources:

4. The books are available for purchase from the following sources:

5. The books are available for purchase from the following sources:



1 didn't you?

2 A. That's right.

3 Q. Did you acquire the Queen City
4 charter the same way you got the Ringside?

5 A. I knew nothing about it.

6 Q. At the time the Lakeside Club was
7 closed down, I suppose you were in the market
8 for another charter, were you?

9 A. Who, me?

10 Q. Yes.

11 A. Charter?

12 Q. Yes.

13 A. I wouldn't give you a nickel for a
14 thousand charters.

15 Q. Why is that? Why have you changed
16 your mind since the day you acquired two of
17 them?

18 A. We were ready to go out. We
19 wanted to close the Lakeview Club up but we
20 couldn't close it up because of the lease.

21 Q. How long did the lease have
22 to go?

23 A. Well, it was a five year lease.

24 Q. When did the police raid the
25 Lakeview Club?

26 A. When they arrested us? In 1960.

27 Q. In 1960. You had the charter
28 then and you still had the Ringside charter?

29 A. I never had the Lakeview charter.
30



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1 I said I know nothing about it.

2 Q. Somebody had it.

3 A. I know nothing about it.

4 Q. Binder was looking after that?

5 A. As far as I know.

6 Q. He also looked after the Ringside
7 charter for you?

8 A. Yes.

9 Q. And your brother was the president
10 of the Queen City?

11 A. I imagine so.

12 THE COMMISSIONER: Take your hand down,
13 please.

14 MR. ESTEY: Q. Now, when you were asked
15 by Mr. Wilson who appeared for you in
16 connection with your charges, you said first
17 of all Charlie Dubin?

18 A. I never said Charlie Dubin.

19 THE COMMISSIONER: Yes, you did.

20 A. I never said Charlie Dubin ever
21 ever acted for me in any charters.

22 MR. ESTEY: Q. I didn't ask you that
23 question. The first name you mentioned
24 after Mr. Wilson's question was Dubin. Is
25 that right?

26 A. Asked who acted for me?

27 Q. In connection with those charges?

28 A. Oh, charges? That's right. I
29 made a mistake.
30



1. The first part of the book is devoted to a general survey of the subject.	1
2. The second part of the book is devoted to a detailed study of the subject.	2
3. The third part of the book is devoted to a detailed study of the subject.	3
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39. The thirty-ninth part of the book is devoted to a detailed study of the subject.	39
40. The fortieth part of the book is devoted to a detailed study of the subject.	40



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Q. But it wasn't a complete mistake.
Mr. Dubin did act for you in some connection
at some time, did he not?

A. Mr. Dubin never acted for me.

Q. Pardon?

A. Arthur Martin acted for me.

Q. Did Dubin act for you before that
time?

A. For what?

Q. Did he act for you before that
time?

A. For what? I don't know. I never
was arrested.

Q. Yes or no?

A. I don't remember him ever acting
for me.

Q. Did he act for Mr. Zeldon and
Mr. Binder?

A. Yes, he acted for them.

Q. And they were the officers of the
Lakeview Club?

A. That's right.

Q. And they were charged with you?

A. That's right.

Q. And they were the officers of the
Ringside Club?

A. I think so.

Q. And the charter was still in
existence?

A. I think so.



1. The first part of the report is a general statement of the purpose of the study.

2. The second part of the report is a description of the methods used in the study.

3. The third part of the report is a description of the results of the study.

4. The fourth part of the report is a discussion of the results of the study.

5. The fifth part of the report is a conclusion of the study.

6. The sixth part of the report is a list of references.

7. The seventh part of the report is a list of appendices.

8. The eighth part of the report is a list of figures.

9. The ninth part of the report is a list of tables.

10. The tenth part of the report is a list of footnotes.

11. The eleventh part of the report is a list of abbreviations.

12. The twelfth part of the report is a list of symbols.

13. The thirteenth part of the report is a list of units.

14. The fourteenth part of the report is a list of definitions.

15. The fifteenth part of the report is a list of acknowledgments.

16. The sixteenth part of the report is a list of contributors.

17. The seventeenth part of the report is a list of reviewers.

18. The eighteenth part of the report is a list of sponsors.

19. The nineteenth part of the report is a list of advisors.

20. The twentieth part of the report is a list of consultants.

21. The twenty-first part of the report is a list of collaborators.

22. The twenty-second part of the report is a list of co-authors.

23. The twenty-third part of the report is a list of co-researchers.

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26. The twenty-sixth part of the report is a list of co-advisors.

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28. The twenty-eighth part of the report is a list of co-contributors.

29. The twenty-ninth part of the report is a list of co-collaborators.

30. The thirtieth part of the report is a list of co-co-authors.



1 Q. Then didn't you and Zeldon and
2 Binder decide that you would offer to surrender
3 those charters?

4 A. I never offered anybody nothing.

5 Q. I take it you would have been
6 pleased to have the charge against you
7 dropped in return for the Lakeview charge
8 being pressed?

9 A. I never offered a charter to no
10 human being. How could I offer something
11 I don't own?

12 Q. We will come back to that. In
13 the meantime, did you not make the suggestion
14 even to Mr. Zeldon and Binder that it would
15 be a good idea to have the charges against
16 the club pressed and the charge against you
17 personally dropped?

18 A. No.

19 Q. It was never discussed?

20 A. No.

21 Q. You never thought of it?

22 A. No.

23 Q. Did Binder mention it to you?

24 A. No.

25 Q. Did Mr. Dubin mention it to you?

26 A. Mr. Dubin didn't act for me.

27 THE COMMISSIONER: Q. Did he mention
28 it to you?

29 A. No. Mr. Dubin wouldn't do a thing
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From the 1st of Jan to the 31st of Dec

During the year 1900, the following amounts were received

from the following sources

1. From the sale of the old building

2. From the sale of the old furniture

3. From the sale of the old books

4. From the sale of the old papers

5. From the sale of the old maps

6. From the sale of the old prints

7. From the sale of the old drawings

8. From the sale of the old engravings

9. From the sale of the old photographs

10. From the sale of the old coins

11. From the sale of the old medals

12. From the sale of the old tokens

13. From the sale of the old seals

14. From the sale of the old stamps

15. From the sale of the old postmarks

16. From the sale of the old cancellations

17. From the sale of the old postpaid stamps

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28. From the sale of the old postpaid seals



1 like that.

2 MR. ESTEY: Q. Did you meet Mr. Dubin
3 with the other two defendants at any time
4 prior to that trial?

5 A. I was with Mr. Martin. Arthur
6 Martin acted for me.

7 Q. You told me that three times now.
8 Will you answer the question? Did you, Zeldin
9 and Binder meet with Mr. Dubin prior to the
10 hearings of these charges?

11 A. I don't remember ever remembering
12 meeting with Mr. Dubin. I know Arthur Martin
13 acted for me.

14 Q. There was no suggestion made to
15 you that the charge against the club should
16 be pressed and the charge against you,
17 Bluestein, dropped?

18 A. No.

19 Q. No suggestion?

20 A. No.

21 Q. What were you going to do with
22 these charters now that the police had
23 arrested you? Were you going to surrender
24 them to the Parliament Buildings?

25 A. What charters?

26 Q. The Ringside and Lakeview.

27 A. The Ringside never was arrested.

28 Q. I know it wasn't arrested. What
29 did you decide to do with the charter?
30

C/6



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1 A. What good is it? It's like a piece
2 of paper. What good is it?

3 Q. What did you decide to do with it?

4 A. It was no good. It was lying
5 dormant.

6 Q. What did you decide to do with it?
7 You controlled ---

8 A. Control what?

9 Q. The charter?

10 A. I don't control no charter.

11 Q. You told me Zeldon and Binder were
12 fronts for you?

13 A. I never said Zeldon was a front
14 for me at no time. Zeldon was never no
15 front.

16 Q. Was Borenstien a front for you?

17 A. Yes.

18 Q. He was an officer. What did
19 you tell him to do with the charter?

20 A. I don't remember telling him
21 anything. The charter was like having a
22 piece of paper laying around. It was no
23 good.

24 THE COMMISSIONER: Will you be much
25 longer? It is 1.00 o'clock. 2.15.

26
27 ---Whereupon the hearing adjourned at 1.05 p.m.
28 until 2.15 p.m.



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AA/1/4C

---On resuming at 2:35 o'clock p.m.

---Max Bluestein resumes the stand.

THE COMMISSIONER: Yes, Mr. Roney.

MR. RONEY: Q. Mr. Bluestein, this morning you told the Commissioner that you carried on a proprietorship, and if I heard you correctly the name of it was Gar Mac?

A. That is right.

Q. Gar Mac? G-a-r M-a-c?

A. That is right.

Q. Two words or one?

A. Two words.

Q. What does that stand for?

A. Just a company, Gar Mac.

Q. Just a name you picked out of the air, or are they the abbreviations of two names?

A. What has that got to do with organized crime?

THE COMMISSIONER: What does it matter how he picked it?

THE WITNESS: Does it refer to me enough? Do you want to bring my nephew in it too?

MR. RONEY: Q. If he is in the proprietorship.

A. What has this to do with organized crime?

Q. Did you render a profit in 1961?



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A. Yes, sir.

Q. Could you tell us what the profit was you returned from Gar Mac to the auditor?

A. I believe it was \$10,000, roughly.

Q. What was the business of Gar Mac?

A. Bankrupt stock.

Q. Buying bankrupt stock from trustees in bankruptcy?

A. That is right.

Q. What trustees did you deal with, did you deal with Mr. Walton?

A. I never bought a stock from Mr. Walton.

Q. What trustees did you deal with?

A. I think Guaranty. Some trust companies, mostly.

Q. Can you name one? National Trust?

A. Oh, I think it was Guaranty Trust. I'm not sure.

Q. You bought and sold bankrupt stock?

A. I bought one stock in Sault Ste. Marie, I think the Guaranty Trust in Sault Ste. Marie, Ontario.

Q. Did you sell them through some business in Toronto?

A. I sold it myself.

Q. You sold it yourself. You didn't



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1 sell it through any of the businesses you
2 told us about, Scandia, Scandia House Limited?

3 A. I told you Gar Mac is my company,
4 and I sold ---

5 THE COMMISSIONER: How did you sell it,
6 as a block stock or did you sell it piecemeal,
7 or how?

8 A. Whatever way I can get rid of
9 it. I find the best deal for me.

10 Q. In some instances, did you sell
11 it through a retail store?

12 A. Right in the store some time,
13 the store that went broke, sometimes.

14 MR. ESTEY: Q. Does Gar Mac have any
15 premises of its own?

16 A. It just -- I pick up the
17 newspaper and I see a company went bankrupt,
18 and I send them a letter.

19 Q. The answer is no, is it?

20 A. We had an address, where I live
21 is my address.

22 Q. I see. All right. And Gar Mac
23 doesn't hold shares in any other company --

24 A. I haven't got any other companies.

25 Q. That may be. But it doesn't
26 hold shares in any other company?

27 A. It is not even a limited company.

28 Q. I understand that --

29 THE COMMISSIONER: It is a partnership, is
30





1 it?

2 A. I had to change the name in order
3 to get the limited company. Somebody else
4 in Vancouver has that name, Gar Mao, I never
5 bothered changing it.

6 MR. ESTEY: Q. Did any of these clubs
7 you had connection with operate a bank account
8 in a trust company?

9 A. No.

10 Q. Take Ringside, did Ringside have
11 a bank account in a trust company?

12 A. I never heard of a trust company.

13 THE COMMISSIONER: Q. Pardon?

14 A. I never heard of a trust company.

15 Q. You just mentioned one.

16 MR. ESTEY: Q. You told us about Guaranty.
17 Ever hear of National Trust?

18 A. I have heard of the trust companies,
19 not the company.

20 THE COMMISSIONER: Q. Did you ever
21 hear of National Trust?

22 A. Yes.

23 Q. They are down on King Street.

24 Did you know that?

25 A. Um?

26 Q. Did you know that they are down
27 on King Street?

28 A. Yes, your lord.

29 MR. ESTEY: Q. Did Ringside have a
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THE HISTORY OF THE

REIGN OF CHARLES THE FIRST

BY JOHN BURNET

IN TWO VOLUMES

LONDON

Printed by J. Sturges, at the

PRINTERS

1687

By J. Sturges, at the

PRINTERS

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By J. Sturges, at the

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By J. Sturges, at the

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By J. Sturges, at the

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1687

By J. Sturges, at the

PRINTERS



1 bank account or a trust account at National
2 Trust?

3 A. Not to my knowledge did we ever
4 have.

5 Q. Did you have?

6 A. I never had a bank account in a
7 trust company in my life.

8 Q. So, the answer is no; is that right?

9 A. As far as I know, I never had one.

10 Q. Has anyone on your behalf main-
11 tained a bank account with National Trust?

12 A. Not as far as I know.

13 Q. Nobody has?

14 A. I haven't, I know that.

15 Q. And nobody on your behalf?

16 A. Not on my behalf, no.

17 Q. Hold any securities down there
18 on your behalf at National Trust?

19 A. No.

20 MR. ESTRY: That is all.

21 MR. ROSE: I have no questions.

22 MR. ESTRY: Mr. MacGuigan is interested.
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There is a great deal of work to be done

and it is not possible to do it all at once

but it is necessary to do it in some way

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EXAMINED BY MR. MacGILLAN:

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3 Q. Why were you in the Town Tavern
4 on the night you were attacked there?

5 A. I wished I knew.

6 Q. Was it just by chance you were
7 there?

8 A. Just by chance. I just happened
9 to drift in there.

10 Q. Were you armed with any weapon
11 of any kind that night?

12 A. No, sir.

13 Q. Didn't you have a knife during
14 the fight later on?

15 A. I don't know if I ever had - I
16 don't remember. I was on cloud 9.

17 Q. Where would you have got the
18 knife if you hadn't brought it with you?

19 A. What?

20 Q. Where would you have got the
21 knife if you hadn't brought it with you?

22 A. I may have taken it away from
23 one of the fellows who were hitting me.

24 Q. Before the fight, who was sitting
25 at the table with you?

26 A. I think a fellow by the name of
27 Mr. Weaver.

28 Q. Mr. Weaver. And wasn't Gaborie
29 at the table with you, too?

30 A. Yes, he was there.



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CHICAGO, ILLINOIS

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CHICAGO, ILLINOIS



1 Q. What were you discussing?

2 A. Nothing, just talking.

3 Q. Just talking. Is it not a fact
4 they wanted a piece of your floating crap
5 game?

6 A. I don't know what you are talking
7 about. They never wanted nothing from me.
8 They never asked me for nothing. In fact,
9 they paid my check.

10 Q. They paid your check?

11 A. That is right. They paid the
12 check, I had no dispute with them.

13 Q. That would indicate they would
14 derive some advantage from the meeting with you?

15 A. What do you mean? We had no
16 meeting. You could pick up the check if
17 we sat down and had some drinks together.
18 You could pick up the check if we happened
19 to sit down at your table.

20 Q. Didn't Gabesie and Weaver leave
21 and sit with Papalia?

22 A. I never noticed.

23 Q. If Weaver had been sitting with
24 you and he left and went to sit with Papalia,
25 you would notice?

26 A. If you are leaving and going to
27 the washroom, I am not going to notice. I
28 was just sitting having a few drinks.

29 Q. Didn't you see Papalia at another
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1 table and send a waitress with an offer to
2 buy you a drink, and you didn't you refuse?

3 A. I think he sent me a drink.

4 Q. You did see Papalia at the other
5 table?

6 A. I don't remember if I saw him
7 or not.

8 Q. Do you recall you subsequently
9 accepted a drink when Weaver offered to buy it
10 in place of Papalia?

11 A. I don't remember that.

12 Q. And weren't you doing this as an
13 affront to Papalia?

14 A. I don't know what you are trying
15 to arrive at. I don't know.

16 Q. You were speaking to Papalia
17 that night, were you not, a few minutes before
18 the fight started, a few moments?

19 A. I don't remember speaking to him.

20 Q. Did you not testify at the trial
21 Papalia spoke to you as you were getting your
22 coat?

23 A. I may have, I don't remember.

24 Q. Wouldn't this be true if you
25 testified to it at the trial?

26 A. If I testified it would be true.
27 But I don't remember now.

28 Q. You were interviewed subsequent
29 to the beating by Deputy Chief George Elliott.
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THE UNIVERSITY OF CHICAGO

THE DIVISION OF THE PHYSICAL SCIENCES

DEPARTMENT OF CHEMISTRY

RESEARCH REPORT

1955

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DEPARTMENT OF CHEMISTRY

RESEARCH REPORT



1 Did you tell him, or describe he was trying
2 to ask you for money?

3 A. I don't remember what I told
4 Mr. Elliott.

5 Q. If you told them that wouldn't
6 you have told them the truth?

7 A. I don't know what I told them.

8 Q. What purpose would you have for
9 telling him a wrong story?

10 A. I said I don't remember what I
11 told Mr. Elliott.

12 Q. And you don't remember telling
13 him, said you weren't going to be shaken down
14 by anybody?

15 A. I don't remember saying anything
16 like that.

17 Q. Are you acquainted with Robert
18 Cheverini?

19 A. I know him.

20 Q. Is he an associate of yours in
21 floating crap games?

22 A. No. Mr. Cheverini was no associate
23 of mine.

24 Q. He was no associate of yours.
25 Didn't he visit you while you were in jail?

26 A. Yes, he did.

27 Q. Didn't he tell you Gaborie, Weaver
28 and Papalia, and others, were trying to
29 muscle into your floating crap game operations?
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A. That is not true.

Q. Why did you suddenly pay the fine and leave jail?

A. Because my wife was ill.

Q. Wasn't Cheverini with you earlier that night in the Town Tavern?

A. No, sir.

Q. You went to the Town Tavern yourself?

A. That is exactly right.

Q. And you didn't tell Cheverini to leave, you wouldn't need him? Did you tell that to anyone during the evening?

A. What for?

Q. You could look after yourself.

A. I don't know what you mean, look after myself for what?

THE COMMISSIONER: Physically.

THE WITNESS: What for?

MR. MACQUIGAN: Q. For that, you were beaten up?

A. I didn't know I was going to be beaten up. I wouldn't go there.

Q. I gather you didn't think you were going to get the worst of it. You did have a knife, or somebody had a knife at some time during the scuffle that night? In fact, you were prepared?

A. What's that? I had a knife? You



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1 are putting words in my mouth that I had a
2 knife.

3 Q. You said you might have picked
4 one up in the scuffle.

5 A. I didn't say that. If I remember
6 correctly, I said if at any time I had a knife
7 in my hand I might have taken it away from
8 one of the attackers.

9 Q. Did you have a knife at any time?

10 A. I told you I was semi-conscious.
11 Well, I was in bad shape, anyway.

12 Q. Did you at some time previous to
13 that win \$80,000 from Gaborie, Weaver and
14 Papalia on a bet on a fixed sporting event?

15 A. (Laughs)

16 THE COMMISSIONER: Never mind the levity.

17 A. This is a joke. I never made
18 a dollar bet with any of them in my life.
19 Where do I come to them?

20 MR. MACGUIGAN: Q. You never bet with
21 any of these people, Gaborie, Weaver or
22 Papalia?

23 A. Your lordship, is it all right
24 if I ask this gentleman his name?

25 THE COMMISSIONER: You just answer the
26 question.

27 A. I never made a dollar bet with
28 them in my life.

29 MR. MACGUIGAN: Q. I am sorry, you never
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1 made a dollar bet?

2 A. A dollar bet. As much as a
3 dollar bet. I didn't even know they were
4 bookmakers.

5 Q. You deny having won that amount
6 of money from them?

7 A. I just said I didn't win a dollar.

8 THE COMMISSIONER: You didn't win any
9 money from them, that is what you say?

10 A. Not even a penny. I wouldn't bet
11 with them.

12 MR. MACQUIGAN: Q. In your three and
13 a half years operation at the Lakeview Club,
14 how many times were you raided?

15 A. I haven't got the records.

16 Q. Have you any recollection how
17 many times you were there and a raid did take
18 place?

19 A. You would have to get that from
20 the police.

21 Q. Have you any memory at all?
22 Would it be once a week, once a month?

23 A. When the police came in there,
24 there was nothing there. It doesn't
25 matter how many times they came in, they
26 couldn't find anything there.

27 Q. Did you ever pay for protection
28 against police raids?

29 A. Did I ever pay for protection
30



A. I have been thinking about you very much lately.

I hope you are well and happy.

I am writing you now from my home.

The weather here is quite nice today.

I would like to see you soon.

Please write back when you have time.

Your friend,



1 against police raids?

2 Q. Did you ever pay for protection
3 against police raids?

4 A. What for?

5 THE COMMISSIONER: Q. Did you ever pay
6 protection, is the question. Say yes or no.

7 A. No, sir, I don't know what you
8 are talking about.

9 MR. MacQUIGAN: Q. Is it not a fact
10 the police made a tape recording of bets
11 being made at the Lakeview Club, that is, a
12 tape recording was part of the evidence at
13 your trial, and many of the bets recorded
14 were horse bets.

15 A. What is that?

16 Q. On this tape the police made in
17 the Lakeview Club they recorded some of what
18 was going on, what was being said, and they
19 had recording evidence, recorded evidence
20 that horse bets were being made. Do you
21 still say you discouraged horse bets in your
22 operation?

23 A. That is right.

24 Q. How do you explain the fact of
25 the record?

26 A. I think you have the wrong --
27 I think you are reading from the wrong script.

28 Q. Why did you phone horse bets to
29 William Wise if you were discouraging taking
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2 then at all, if you didn't want horse bets,
3 why did you phone Wise?

4 A. I phoned the bets in. Wise may
5 have been working for five or six different
6 people. Wise, Wise may have been working
7 for five or six different people.

8 THE COMMISSIONER: Q. Was he?

9 A. Could be.

10 Q. To your knowledge, was he?

11 A. I think he was working for a
12 few people.

13 Q. Who were they?

14 A. I don't know.

15 MR. MacQUIGAN: Q. What reason have you
16 to think he was working for others?

17 A. By the amount on the sheet.

18 Q. What man did you go to to lay
19 off when your books were unbalanced on the bet?

20 A. Charlie would take most of my
21 action.

22 Q. Charlie?

23 THE COMMISSIONER: Q. Charlie?

24 MR. MacQUIGAN: Q. Charlie who?

25 A. I just knew him as Charlie.

26 THE COMMISSIONER: // Charlie "Horse".

27 MR. MacQUIGAN: Q. You said yesterday
28 that horse bets are paid off on sixteen to
29 one, and six to one, and three to one?

30 A. No.



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1 Q. Is it a fact these are the
2 maximum?

3 A. No, fifteen, six and three.

4 Q. Fifteen, six and three. Is it
5 not a fact these are the maximum odds and you
6 usually paid off on much less than this?

7 A. I don't follow.

8 Q. Are these the odds you normally
9 pay?

10 THE COMMISSIONER: Q. You didn't pay
11 an excess of this, that is the limit?

12 A. That is the limit.

13 MR. MacGUIGAN: Q. Didn't you sometimes
14 pay less than that?

15 THE COMMISSIONER: You ---

16 A. That is the limit.

17 Q. You paid the price at the track?

18 A. Fifteen, six and three.

19 Q. No, no. Just a minute. This
20 was the limit that you paid, fifteen, six
21 and three?

22 A. That is right, your lordship.

23 Q. But if the winner at the track
24 only paid ---

25 A. Four dollars.

26 Q. That is what you paid?

27 A. \$4.

28 Q. You paid the track odds?

29 A. Up to fifteen. Up to fifteen, six
30





1 and three.

2 MR. MacGUGAN: Q. Up to fifteen, you
3 paid the track odds. In writing the sheet,
4 how much profit, how much vigorish, I think
5 you called it yesterday, did you have?

6 A. A fellow lays me a dollar and
7 a quarter. That is a dollar twenty-five to
8 a dollar.

9 Q. Twenty-five cents on every dollar?

10 A. No, no. If you were to lay me
11 a dollar and a quarter to a dollar, I could
12 make it twenty-three, so I would raise it
13 up a nickel. And another chap would come in
14 and take a dollar twenty. That would be on
15 a thousand dollars but I could make \$50.
16 That is on \$1,250, and a thousand dollars,
17 I could make \$50 if the right team won for me.
18 \$2,250, I could make \$50 if the right team
19 won. That was \$22.50 a thousand.

20 Q. Do you win \$50 no matter who wins
21 in a case like that?

22 A. I couldn't win - I could only
23 win -- If I had the price, fifty-sixty,
24 seven and a half to eight, and you laid me
25 sixteen hundred, the thousand, I would change
26 it to fifty-five-sixty-five. The other
27 fellow would come in and take \$55. It is
28 fifteen fifty to a thousand. Fifteen fifty
29 and sixteen, is what? It is over three
30

[illegible]



AA/3

1 thousand; is that right?

2 Q. Ha, hmn.

3 A. Now, if the underdog won, I
4 could win \$50, in three thousand. It is the
5 transaction, provided the underdog won. That
6 is all.

7 Q. Have you ever been approached by
8 anyone from the United States with regard to
9 control and operation of crime in the Toronto
10 area?

11 A. No, sir. What do you mean by
12 crime?

13 Q. Well, let's make it gambling.

14 A. No, sir.

15 Q. Did you ever meet a man from
16 the United States in the tunnel between the
17 Union Station and the Royal York Hotel,
18 and discuss an offer by American interest to
19 takeover ---

20 A. It is not true.

21 Q. -- gambling in Ontario?

22 A. It is not true.

23 Q. This meeting never took place?

24 A. It is not true.

25 Q. Did it take place?

26 A. It is not true.

27 THE COMMISSIONER: Q. Did it take place?

28 A. No, I said, not true.

29 MR. MACQUIGAN: Q. Were you present at a
30



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1 meeting on the grounds of the Canadian National
2 Exhibition to discuss crime in Toronto?

3 A. Not true.

4 Q. Do you know Danny Gasbarino?

5 A. I know of him, I don't know him.

6 Q. Was he present at the Westbury
7 Hotel meeting?

8 A. Never was in my company.

9 Q. Do you know a Montreal man named
10 Yankovitch, alias Ted Young?

11 A. Don't know him.

12 Q. Was he at the Westbury Hotel
13 meeting?

14 A. I don't know.

15 Q. You told us yesterday that you
16 didn't have a piece of the Cooksville Club,
17 and you wouldn't want one. Now, why not,
18 as a gambler, why wouldn't you want a piece
19 of any club if it was going rather well?

20 A. Listen, why don't other people
21 want to go in different businesses? They
22 don't want it. They don't want to go in.

23 Q. This is the same business you
24 were in.

25 A. No, it is not the same business
26 I was in.

27 Q. It is related.

28 A. Some people like to eat pork
29 chops, some people like to eat lamb chops.
30



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Q. Do you know Joseph McDermott?

A. I know of him.

Q. Do you know him?

A. I know him.

Q. How well did you know him?

A. Today hello when I saw him.

That is all.

Q. Did you ever tell him the Toronto Police Department taps telephones?

A. No, sir.

Q. Did you ever tell him that you had a friend on the Toronto morality squad?

A. That is not true.

Q. Do you have a friend on the Toronto morality squad?

A. No, sir.

Q. Did you?

A. No, sir.

Q. Did you ever put up any money to bank a crap game at Niagara Falls?

A. No, sir.

Q. Do you know John P. Cronin?

A. No, sir.

Q. Do you know Sam Steinberg?

A. Yes, sir.

Q. Was he a partner of yours in the stag crap games?

A. No, sir.

Q. Was he a partner of yours in any



1 of your operations?

2 A. No, sir.

3 Q. How do you know him, then, in
4 what connection?

5 A. What do you mean, what connection?
6 I buy my cars off him.

7 Q. Did you have any other kind of
8 business dealings with him?

9 A. I know the family, I am a friend
10 of the family, brothers and sisters.

11 Q. Do you know Smabby Schwartz?

12 A. I know of him.

13 Q. Do you know whether he had his
14 legs broken?

15 A. I don't know.

16 Q. Was he an associate of yours in
17 regard to certain betting arrangements?

18 A. He never was.

19 Q. At the races in Fort Erie?

20 A. Never was my associate.

21 Q. Never was your associate?

22 A. Not with betting.

23 Q. Isn't he your brother-in-law?

24 A. What is your name, sir?

25 THE COMMISSIONER: It ~~can~~ doesn't matter.

26 MR. MacGUIGAN: Q. Answer the question.

27 THE COMMISSIONER: He is Mr. MacGuigan.

28 THE WITNESS: What are you asking me
29 such a foolish question?
30



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1
2 THE COMMISSIONER: Is he your brother-
3 in-law, yes or no?

4 A. No, he is not. What has this
5 to do with organized crime?

6 MR. MacQUIGAN: Q. Is it not a fact
7 that Schmarts had his legs broken with a
8 baseball bat?

9 A. I don't know.

10 Q. Because of a doublecross, and
11 this was done at your order?

12 A. My order?

13 Q. Your order.

14 A. My order?

15 Q. Are you agreeing with me?

16 A. What?

17 Q. Are you agreeing with me?

18 A. I don't know what you are talking
19 about. What order was this?

20 Q. How many times did Schmarts have
21 his legs broken?

22 A. I don't know. You know it.
23 You know all about it. I don't know nothing.

24 THE COMMISSIONER: Q. Did you know
25 he had his legs broken?

26 A. I heard he had his legs broke.
27 I don't know.

28 Q. By someone hitting him with a
29 baseball bat?

30 A. I don't know how he got them broke.



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1 Q. Is that the way you heard it?

2 A. I don't know.

3 Q. Is that the way you heard it?

4 A. I didn't hear it. I thought he
5 had an accident.

6 Q. What?

7 A. I heard he fell off a horse.
8 I don't know anything about it.

9 MR. MACGUISAN: Q. Do you know Henry
10 Schultz?

11 A. Who?

12 Q. Henry Schultz?

13 A. I don't know.

14 Q. Isn't he a driver who picked up
15 patrons for your floating crap games?

16 A. I don't know what you are talking
17 about. I have no floating crap games.

18 Q. Did you ever employ Henry Schultz
19 in any capacity?

20 A. I didn't employ him in any
21 capacity.

22 Q. Do you know Bobby Sansoni?

23 A. I know of him.

24 Q. How do you know him? Have you
25 been associated with him in any bookmaking
26 operations?

27 A. No, sir.

28 Q. In what capacity have you known
29 him?
30



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1 A. I know him just like I know
2 anybody, to say hello and good-bye.

3 Q. What does he do?

4 A. I think he owns a hotel.

5 Q. Are you now associated with him
6 in any way?

7 A. I don't --

8 Q. Any business capacity?

9 A. What do you mean by associated?

10 Q. Is he a partner of yours in any
11 way? Does he work for you?

12 A. Work for me?

13 Q. Yes.

14 THE COMMISSIONER: Q. Does he?

15 A. No, he doesn't, sir.

16 MR. MACGILLAN: That is all, thank you.

17 THE COMMISSIONER: Any further questions?
18 That is all, sir.

19
20 ---The witness withdrew.

21
22
23 MR. WILSON: I will call Staff

24 Sergeant Harrys.
25
26
27
28
29
30



1. The first part of the question is to be answered in brief.

2. The second part of the question is to be answered in detail.

3. The third part of the question is to be answered in detail.

4. The fourth part of the question is to be answered in detail.

5. The fifth part of the question is to be answered in detail.

6. The sixth part of the question is to be answered in detail.

7. The seventh part of the question is to be answered in detail.

8. The eighth part of the question is to be answered in detail.

9. The ninth part of the question is to be answered in detail.

10. The tenth part of the question is to be answered in detail.

11. The eleventh part of the question is to be answered in detail.

12. The twelfth part of the question is to be answered in detail.

13. The thirteenth part of the question is to be answered in detail.

14. The fourteenth part of the question is to be answered in detail.

15. The fifteenth part of the question is to be answered in detail.

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26. The twenty-sixth part of the question is to be answered in detail.

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28. The twenty-eighth part of the question is to be answered in detail.

29. The twenty-ninth part of the question is to be answered in detail.

30. The thirtieth part of the question is to be answered in detail.



ALEXANDER HAWES, sworn

EXAMINED BY MR. WILSON:

Q. You are a member of the Royal Canadian Mounted Police?

A. Yes, I am, sir.

Q. What is your rank?

A. Staff Sergeant, sir.

Q. And what was your rank in May of 1962?

A. Staff Sergeant, sir.

Q. And connected with what branch?

A. C.I.B., Criminal Investigation Branch, sir.

Q. And on May 15th, 1962, did you have an interview with Max Bluestein?

A. I did.

THE COMMISSIONER: When?

MR. WILSON: Q. May 16th, 1962?

A. I did, sir.

Q. And would you just tell us what occurred?

A. Yes, sir. Mr. Bluestein came to my office at the R.C.M.P. Headquarters here in Toronto, 3 Sullivan Street, and explained to me he wished police protection for he and his family inasmuch as he was afraid of organized crime.

Q. Did you ask him what he meant by





1 that?

2 A. I did, sir.

3 Q. What did he tell you?

4 A. He merely stated he was afraid
5 of the Mafia, and didn't elaborate any further
6 than that.

7 Q. Did you press him for some
8 further particulars as to what he meant?

9 A. I shouldn't say I pressed him
10 for details, sir. But I did ask him what he --
11 what protection he required, and what he
12 meant by organized crime, in that he should
13 come to our office. And he briefly explained
14 that he had a fear for the safety of he, his
15 wife and two children, again repeating, from
16 organized crime.

17 At this point I explained to him it
18 would be necessary for him to consult the
19 Metropolitan Toronto Police Department if
20 he had such a fear. And he explained to me
21 that he had had an interview with Chief
22 Constable Mackey in March of 1961, and that
23 he did not intend to go back to Chief Mackey.
24 And I explained to him that he must appreciate
25 the fact that this protection was completely
26 out of our jurisdiction. And he
27 acknowledged this, but stated that he merely
28 wanted it on the record that he had been
29 at our office.
30



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1. The first part of the book is devoted to a general survey of the history of the subject.

2. The second part is devoted to a detailed study of the various theories of the subject.

3. The third part is devoted to a critical examination of the various theories of the subject.

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29. The twenty-ninth part is devoted to a study of the various theories of the subject.

30. The thirtieth part is devoted to a study of the various theories of the subject.



1 Q. Did he say anything about Pierre
2 Berton during this interview?

3 A. Yes, he did, sir. He said this
4 trouble -- he termed this trouble -- seemed
5 to commence when he went to Pierre Berton and
6 exposed organized crime to Pierre Berton.

7 Q. Did he go into any details as
8 to how he said he had exposed organized
9 crime?

10 A. He didn't, sir.

11 Q. That is really the substance of
12 all the interview?

13 A. That is correct, sir.

14 MR. WILSON: That is all, thank you.

15 THE COMMISSIONER: Any questions?
16 That is all.

17
18 ---The witness withdrew.

19
20
21 MR. WILSON: I will call Inspector
22 Thurston.



HURBERT STANLEY THURSTON, sworn

EXAMINED BY MR. WILSON:

Q. You are an Inspector of the Metropolitan Toronto Police Department?

A. That is correct.

Q. And at the present time you are the head of the Morality Branch?

A. That is correct.

Q. In 1958, what was your rank?

A. I was a Detective Sergeant.

Q. Now, in 1958, did you in company with Deputy Chief Thurston have an interview with Maxie Bluestein?

A. Yes, I did.

THE COMMISSIONER: Just a moment. Deputy Chief Thurston, what Force is he connected with?

A. The Metropolitan Toronto Police, my lord.

MR. WILSON: Q. At that time he was in charge of some particular branch?

A. He was in charge of 21 Division, or 5 District as it is commonly known. That is York Township. Which included Forest Hill Village.

Q. And where did this interview take place?

A. In his office, in the York



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1 Township police building.

2 Q. And had there been any prior
3 notice of the visit from Mr. Bluestein?

4 A. Well, my brother had first of
5 all been visited by Mr. Bluestein, and my
6 brother, as a result of things ---

7 Q. You say your brother, that is
8 the Deputy Commissioner?

9 A. That is correct.

10 Q. The Deputy Chief.

11 A. As a result of what was said to
12 him he contacted me at home by phone. As a
13 result of this phone call I went to his office
14 where Mr. Bluestein and my brother were
15 present.

16 Q. Just tell us what took place
17 at that meeting.

18 A. Well, at that time I was informed
19 by my brother that Mr. Bluestein was trying
20 to obtain a permit to carry a gun, a revolver.

21 Q. Was this discussion in the
22 presence of Bluestein?

23 A. It was, yes.

24 Q. Yes?

25 A. And then he repeated certain
26 statements that had been made by Mr. Bluestein
27 so that I would be aware of the whole picture.
28 And this discussion was then enlarged on
29 by the three of us, Mr. Bluestein, my brother
30





1 and myself.

2 Q. Now, what reasons did Bluestein
3 advance at that meeting as the reason for
4 wanting the permit to carry a gun?

5 A. That he believed his life was
6 in jeopardy.

7 Q. From what?

8 A. From a group he called the Mafia.

9 Q. Did he walarge on that at all?

10 A. Yes, he did. He said that on
11 one occasion he had met a man coming in from
12 out of town and had chased him out of town.

13 Q. He had met a man coming into
14 town?

15 A. A well-known criminal.

16 Q. Yes.

17 A. Had been coming in to Toronto,
18 and he had met him in the tunnel between the
19 railway station and the Royal York.

20 Q. Yes.

21 A. And had warned him to stay out
22 of town. And on another occasion ---

23 Q. You say he chased him out?

24 A. That is correct.

25 Q. Yes.

26 A. And on another occasions ---

27 Q. Who chased who?

28 A. Max Bluestein said he chased the
29 well-known criminal.
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1 Q. From the United States?

2 A. Yes.

3 THE COMMISSIONER: Q. Did he name
4 the man?

5 A. No, sir, he did not.

6 MR. WILSON: Q. Did he say why he
7 was chasing him out, or warning him to stay
8 away?

9 A. He didn't want people of this
10 organization in Toronto.

11 Q. Yes. Did he say what kind of
12 organization they were?

13 A. As I said, he described it as
14 the Mafia. He stated that on other occasions
15 he had been propositioned to obtain the
16 working co-operation of local people, local
17 people in the criminal element, so that the --
18 this group could come in and obtain control
19 in the criminal element in Toronto.
20

21 THE COMMISSIONER: Just repeat that
22 again, I don't quite grasp it.

23 A. That Mr. Alvestein had been
24 approached to -- so they could obtain the
25 co-operation, in getting the co-operation
26 of the Toronto criminals in collaborating or
27 co-operating with this so-called group that
28 he was afraid of.

29 Q. Where did the group come from,
30 did he say?



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1 A. No, he just called it this Mafia.

2 MR. WILSON: Q. Did he tell you what
3 group in Toronto he was supposed to bring
4 together?

5 A. The local criminals.

6 Q. Well, from your knowledge of
7 Bluestein, was he associated with all types of
8 criminals in the City of Toronto at that time?

9 A. He was known to my knowledge as
10 a gambler.

11 Q. Was he known at that time in any
12 other connection than gambling?

13 A. I myself do not know other specific
14 connections.

15 Q. No.

16 THE COMMISSIONER: Including bookmaking.
17 I suppose?

18 A. Bookmaking, gambling, all bets
19 of that nature, my lord.

20 MR. WILSON: Q. Did he tell you who
21 had propositioned him along those lines?

22 A. No, he never mentioned any names.

23 Q. Did he tell you anything further
24 as to reasons why he should be granted a permit?

25 A. Yes, the most recent -- or the
26 occurrence most recent to that date that
27 caused him to want a permit was an alleged
28 meeting that had been held in the Westover
29 Hotel, supposed to have taken place in there.
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Q. Westover, now?

A. Westbury. Which was alleged to have taken place there in January of 1936.

Q. Yes?

A. At which there was an attempt made at that time to gain control of the criminal element in Toronto.

THE COMMISSIONER: Q. Did he say he had been at the meeting?

A. I don't recall whether he said that specifically, but I took that inference.

MR. WILSON: Q. I take it you made an investigation to find whether a meeting along the lines he suggested had taken place?

A. I certainly did.

Q. Did you find any such meeting had taken place?

A. There was nothing to indicate such a meeting occurred.

THE COMMISSIONER: Q. Did he say at the meeting -- perhaps he didn't name them by surnames -- did he say where they came from?

A. No, sir, he did not.

MR. WILSON: Q. Did he advance any further reasons, or was that the last, that you say was the most recent in point of time?

A. This seemed to be his major argument at that time.

Q. What was the result of the meeting,



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1 what decision was arrived at?

2 A. Well, he stated that the local
3 people had objected to the proposition put
4 to them by this group that had come to Toronto.

5 Q. But he didn't name any of the
6 local group?

7 A. No, sir. He mentioned no names
8 of any individuals at any time during the
9 same conversation.

10 Q. Now, is there anything further,
11 further statements made by Bluestein at that
12 meeting?

13 A. Nothing that I can recall in
14 detail.

15 Q. Well, did you --- What decision
16 did you make, did you grant him the licence or
17 did you refuse it?

18 A. No, we certainly didn't grant him
19 the licence to carry a gun. But we did place
20 his house under observation for some period of
21 time to see if there was any open suggestion
22 of threats or violence by anyone.

23 Q. Did you find any evidence of
24 any such threat?

25 A. None whatsoever.

26 Q. Or any surveillance of his house
27 by others, or anything of that kind?

28 A. None whatsoever.

29 Q. And apart from the beating he
30





1 suffered at the Town Tavern, in the last five
2 years do you know of any attempt to attack
3 him or otherwise intimidate him?

4 A. No, sir, I do not.

5 THE COMMISSIONER: Q. Did he tell you
6 of any attempt to rob him?

7 A. No, sir, he did not.

8 MR. WILSON: Q. Now, yesterday there
9 were certain questions put that I think went
10 beyond what you have just related, such as
11 some statements, alleged statements, about his
12 interest in the Centre Road Club. Am I right
13 in saying no statement along those lines was
14 made by Bluestein at the meeting he held with
15 your brother and yourself in 1953?

16 A. No, sir.

17 Q. And if anything along that line
18 was based on some hearsay that you had from
19 some other informant?

20 A. That was a statement I obtained
21 from another informant.

22 Q. Another informant?

23 A. That is correct, sir.

24 MR. WILSON: That is all, thank you.

25 THE COMMISSIONER: It just occurred to
26 me, from time to time during the hearings I
27 have heard the name of John Papalia mentioned.
28 Do you know something about John Papalia, and
29 how he was regarded by the police, and what his
30



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1 occupation was, and all that sort of thing?

2 A. Yes, sir, I do.

3 Q. Just state for the purpose of
4 the record.

5 A. John Papalia was one of the
6 principals involved in the beating of Max Baker
7 at the Tyne Tavern in March of 1951.

8 Q. '61?

9 A. '61, rather, I should say. He
10 also is currently waiting trial on a conspiracy
11 to traffic in narcotics in New York City, along
12 with Alberto Agnesi who was indicted by never
13 charged. On his being extradited from
14 the country, prior to this, he was found dead
15 over in New York State. And along with Vito
16 Agnesi, Alberto's brother.

17
18 So, this Papalia was known, or had a
19 name among the criminal element as the "Enforcer".

20 Q. Meaning what?

21 A. The strong-arm man, the muscle
22 man who kept other criminals in line.

23 MR. WILSON: Q. Have you any evidence,
24 any direct connection between Papalia and
25 Blumstein, for instance, at any period?

26 A. I have no evidence of any direct
27 connection. Anything I do know, they were
28 in opposition.

29 Q. Have you any direct evidence he
30 was in any way connected with McDermott and



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1 Feeley's operation?

2 THE COMMISSIONER: Who, Papalia?

3 MR. WILSON: Q. Papalia.

4 A. In the statement I obtained, I
5 just previously mentioned, there was evidence
6 to that effect.

7 Q. That wasn't direct evidence, you
8 had some informer whose name I take it you
9 cannot give us?

10 A. That is correct.

11 Q. And who is not available to give
12 evidence?

13 A. That is correct.

14 Q. Who made that suggestion?

15 A. That is correct.

16 MR. WILSON: I think that is all,
17 thank you.

18 MR. ESTEY: Is it proper, Mr. Commissioner,
19 to get to point 1 with the Inspector, his
20 evidence here has not been on that point, but
21 maybe it is a convenient time.

22 THE COMMISSIONER: What do you want
23 to ask him?

24 MR. ESTEY: I just want to deal generally
25 with his contact through the morality department
26 with these chartered clubs. It is out of
27 context with what Mr. Wilson asked.

28 THE COMMISSIONER: We will get all
29 this mixed up. It is confusing to the public.
30



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MR. ESTEY: Perhaps I can ask him one question arising out of Mr. Bluestein's testimony this morning.

EXAMINED BY MR. ESTEY:

Q. Inspector, from your investigations in your division, was there any evidence of telephone calls passing between Mr. Bluestein's Lakeview operation and any other clubs?

A. Yes, there was.

Q. Can you name all these clubs?

A. I can't recall them all.

Q. Was it in connection with the Acme Club?

A. Yes.

Q. And the Atlas Club?

A. And the Atlas Club. I believe also the Bellevue Club, but I wouldn't swear to that, among a number of others.

Q. Did your investigations explain the nature of these calls, the purpose?

A. They were only phone records. And from the nature of the clubs, and the clubs so named, I can only draw a conclusion.

Q. What is that conclusion?

A. That is this was a layoff set-up.

Q. In between these clubs?



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1 A. That is right.

2 MR. ESTEY: Thank you.

3 MR. WILSON: Yes, Mr. Lawlor?

4
5
6
7 EXAMINED BY MR. LAWLOR:

8
9 MR. LAWLOR: Just a question or two.

10 Q. When you were interviewing
11 Bluestein did he, did he appear to be a worried
12 man?

13 A. Well, Mr. Bluestein as long as
14 I have known him has the same facial expression
15 as you have seen here in the witness box,
16 and you could very rarely tell what he is
17 thinking or feels.

18 Q. He didn't appear agitated or
19 nervous?

20 A. He appeared normal to me.

21 Q. Did you refuse him the gun while
22 he was still in the office?

23 A. We told him that we wouldn't
24 recommend that he be given a permit to carry
25 a gun.

26 Q. Did he make considerable pro-
27 testations as a result of this?

28 A. The reason probably we were told
29 so much was in an endeavour to change our minds.
30



1. The first part of the book is devoted to a general survey of the subject.

2. The second part is devoted to a detailed study of the various aspects of the subject.

3. The third part is devoted to a critical examination of the various theories and hypotheses.

CHAPTER I

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12. The twelfth part is devoted to a critical examination of the various theories and hypotheses.

13. The thirteenth part is devoted to a critical examination of the various theories and hypotheses.

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15. The fifteenth part is devoted to a critical examination of the various theories and hypotheses.

16. The sixteenth part is devoted to a critical examination of the various theories and hypotheses.

17. The seventeenth part is devoted to a critical examination of the various theories and hypotheses.

18. The eighteenth part is devoted to a critical examination of the various theories and hypotheses.

19. The nineteenth part is devoted to a critical examination of the various theories and hypotheses.

20. The twentieth part is devoted to a critical examination of the various theories and hypotheses.



1 Q. And apart from mentioning the
2 Maria, he never at any time gave you clear
3 indication why he felt he was in danger?
4

5 A. Well, the indication was that
6 he felt he was in danger because he had
7 opposed their intention to move into Toronto.

8 Q. Yes. You mentioned that Papalia
9 and himself were in opposition. Could you
10 elaborate on that?

11 A. I said the only thing about
12 Papalia in connection with Max Baker that it
13 indicated he was in opposition, because Papalia
14 was one of the men who assaulted him.

15 Q. That is the only way you knew
16 those two men were in opposition?

17 A. That is true.

18 MR. LAWLER: Thank you very much.

19
20
21
22 EXAMINED BY MR. ROSE:

23 Q. Mr. Thurston, you say Papalia
24 was known to you as "The Enforcer" because he
25 kept certain criminal elements in line?

26 A. I said that was his reputation.

27 Q. The reputation in police circles?

28 A. The reputation in police circles,
29 yes.
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Q. And what is the name of the person?

A. The name of the person is John Doe.

Q. And what is the date of the event?

A. The date of the event is January 1, 1990.

Q. And what is the location of the event?

A. The location of the event is the city of New York.

Q. And what is the purpose of the event?

A. The purpose of the event is to raise money for charity.

Q. And what is the name of the charity?

A. The name of the charity is the American Red Cross.

Q. And what is the amount of money raised?

A. The amount of money raised is \$100,000.

Q. And what is the name of the person who organized the event?

A. The name of the person who organized the event is Jane Smith.

Q. And what is the name of the person who donated the most money?

A. The name of the person who donated the most money is Mr. John Doe.

Q. And what is the name of the person who donated the second most money?

A. The name of the person who donated the second most money is Mrs. Jane Smith.

Q. And what is the name of the person who donated the third most money?

A. The name of the person who donated the third most money is Mr. John Doe.

Q. And what is the name of the person who donated the fourth most money?

A. The name of the person who donated the fourth most money is Mrs. Jane Smith.

Q. And what is the name of the person who donated the fifth most money?

A. The name of the person who donated the fifth most money is Mr. John Doe.

Q. And what is the name of the person who donated the sixth most money?

A. The name of the person who donated the sixth most money is Mrs. Jane Smith.

Q. And what is the name of the person who donated the seventh most money?

A. The name of the person who donated the seventh most money is Mr. John Doe.

Q. And what is the name of the person who donated the eighth most money?

A. The name of the person who donated the eighth most money is Mrs. Jane Smith.



1
2 Q. Who would he be the enforcer for?

3 A. His close associations were
4 members of the Bellevue Club, Fred Sabourie,
5 Jack Weaver, Ronald Mooney, Alfred Knight,
6 among others. So whether his enforcement
7 was on their behalf or on behalf of somebody
8 else, I don't know.

9 Q. As far as you know, as far as
10 your information goes he would be an enforcer
11 on behalf of those persons you just named?

12 A. I said I don't know whether it
13 was on their behalf or whether it was on his
14 own behalf, for activities ---

15 Q. Or on behalf of some other person?

16 A. Or on behalf of some other person.

17 Q. As far as you said in reply to
18 a question as to whether or not you had
19 heard that Bluestein had any interest in
20 the Centre Road Club, or Cooksville Club,
21 which was evidently run by Feeley and McDermott,
22 is by hearsay evidence given to you by an
23 informer?

24 A. That is right.

25 MR. ROSE: Thank you.

26 MR. WILSON: That is all.

27 ---The witness withdrew.
28
29
30





EE/PAL/1

MR. WILSON: I will call Inspector Devereaux.

ROLAND HUGH DEVEREAUX, recalled,

THE COMMISSIONER: Q. You have already been sworn in this hearing?

A. Yes, I have.

EXAMINED BY MR. WILSON:

Q. In May of 1962 you interviewed one James Gavin at his residence, 148 Laurier Street, Hamilton?

A. I did.

Q. What was his connection with the Army, Navy and Air Force Veterans in Canada at that time?

A. He was the Provincial President; that is, for the Province of Ontario.

Q. Had he been a member of the Executive for a number of years?

A. Yes.

Q. How far back does that carry us?

A. The year, I believe, 1952.

Q. Then, I am particularly concerned



1. The first part of the curriculum is devoted to the study of the history of the United States.

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History of the United States

The history of the United States is a story of the growth of a great nation from a small colony to a world power.

The first part of the curriculum is devoted to the study of the history of the United States.

The second part of the curriculum is devoted to the study of the history of the United States.

Geography of the United States

The geography of the United States is a study of the physical features of the country and the distribution of its population.

The first part of the curriculum is devoted to the study of the geography of the United States.

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The eleventh part of the curriculum is devoted to the study of the geography of the United States.



1 with 1957, prior to July of that year. What was
2 his connection with the organization at that
3 time?

4 A. I believe he was a director of
5 sports and would attend meetings, bi-annual
6 meetings and conventions on the Dominion --
7 on the Ontario level, and Dominion conventions.

8 Q. In the course of your inves-
9 tigation did you ascertain how charters, or,
10 in cases of, say, Units 326 and 327, whether
11 we call them charters or licences, how that
12 was controlled? Was it controlled by the
13 Provincial Command or the Dominion Command?

14 A. I don't exactly understand your
15 question.

16 Q. Maybe we could get at it another
17 way: What were you meeting with Mr. Gavin
18 to find out?

19 A. Well, I was making an investigation
20 into the issuances of charters or licences to
21 operate which had been granted at Dominion
22 level and were being used at the Provincial
23 level.

24 Q. And the example of that would be
25 the Centre Road Club at Cocksville, Unit 326?

26 A. Yes, that is correct.

27 Q. During the period that it did
28 operate. In the course of your investigation
29 did you determine whether or not, prior to
30





1 July of 1957, there was any possibility that
2 that charter or licence was in jeopardy?

3 A. There was considerable difficulty
4 in the year 1954, at which time the Provincial --
5 the Provincial officers raised an issue with
6 the Federal Command and made an effort to
7 cancel the licence. At this time an
8 investigative committee was made --formed,
9 rather, and in 1955 they ruled that they
10 should be allowed to operate over the heads
11 of the protest initiated by the Ontario
12 Command. Since that time -- From that time
13 in 1954 until '57 there was a distinct gap
14 in there and I have been unable to obtain
15 any of the minutes of their meetings to
16 determine if, within that period, there were
17 in fact -- if there was any evidence in that
18 period to indicate the operators of the
19 club knew in fact that their licences were
20 in jeopardy.

21 Q. In other words, you have not
22 been able to find any evidence that they were
23 in jeopardy in that period?

24 A. That is correct.

25 Q. You know of no -- Mr. Gavin
26 could not tell you of any positive proceeding
27 initiated along that line in that period?

28 A. No, he couldn't help me at all.

29 Q. Did you determine whether or not
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1 they had paid their assessment, or whatever it
2 was, for the entire year of 1957?

3 A. Mr. Gavin indicated that they
4 had paid their per capita tax for the full
5 year 1957.

6 Q. Did that have any significance
7 at all in weighing the matter?

8 A. To Mr. Gavin it did, in that he
9 advised me that for this reason he felt they
10 were not aware that their licences were
11 in jeopardy.

12 Q. Were you able to determine the
13 extent of the influence of the operators of
14 Unit 326, 327 and the other federally operated
15 clubs in the province in the affairs of the
16 Provincial Command in 1957?

17 A. Well, I don't understand that.
18 It is put clearly but --

19 Q. There were certain meetings of
20 the Provincial Command in 1957?

21 A. Yes, there were.

22 Q. And I suppose there were a certain
23 number of total votes in these meetings
24 and all I am concerned with is: Did the
25 representatives of these clubs, using federal
26 charters, did they have a substantial vote,
27 a minor vote or a majority vote?

28 A. Yes, they did have a vote. The
29 four of them grouped together, 326, 327 and --
30



1. The first thing I noticed when I stepped out of the plane was the fresh air.

2. It felt like I had been in a bubble for the last few days.

3. The sun was shining brightly, and the birds were singing.

4. I had never felt so alive before.

5. The world was so beautiful, and I was so lucky to be here.

6. I had never felt so free before.

7. The world was so beautiful, and I was so lucky to be here.

8. I had never felt so free before.

9. The world was so beautiful, and I was so lucky to be here.

10. I had never felt so free before.

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26. I had never felt so free before.

27. The world was so beautiful, and I was so lucky to be here.

28. I had never felt so free before.

29. The world was so beautiful, and I was so lucky to be here.

30. I had never felt so free before.



1 I have those. I will check it for you.

2 Q. If you have it there we might just
3 as well have it.

4 A. I have it now.

5 Q. Yes?

6 A. Coronation Unit 259, J.P. MacNamara,
7 President, held four votes; Unit 316, St.
8 Andrews, R.W. Lent, carried the votes, six;
9 Unit 326, Cooksville, R.L. Turner, carried
10 six votes; Unit 327, Roseland, F. Gardner, six.
11 These four clubs carried a total of 22 votes
12 out of a total of 94, which made it quite
13 a powerful influence at the convention.

14 Q. I think we have heard of all
15 those units except 316, St. Andrews, R.W.
16 Lent. Where is that located?

17 A. I am pretty sure it is in
18 Toronto but I will check.

19 Q. In some way you have associated
20 them with MacNamara, Turner and Gardner?

21 A. Yes. It was Mr. Gavin's
22 contention that J.P. MacNamara held all these
23 votes at once.

24 Q. I see. That was the source
25 of your information?

26 A. Yes. At the Belleville meeting --
27 convention.

28 Q. I did not ask you what Mr.
29 Gavin's occupation is?
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1 A. He is a policeman.

2 Q. On the Hamilton Police Force?

3 A. Yes, sir. I am almost certain
4 St. Andrews is in Toronto.

5 Q. It is all right. You have
6 indicated the connection. That is all.

7 MR. ESTEY: Is Gavin going to be called?

8 THE COMMISSIONER: I am turning this
9 over in my mind. He is available.

10 MR. ESTEY: I assume he is alive and
11 available.

12 MR. WILSON: Q. You have been endeavouring
13 for months, through Gavin, to get some further
14 information that will assist you?

15 A. Yes, I have. And he has,
16 absolutely, to my knowledge, been helping me
17 all he can.

18 Q. And he has not been able to turn
19 up anything that would cast any further light
20 on this matter?

21 A. Yes. I was talking to him this
22 morning and he said he would be here within
23 an hour, on a moment's notice. He is
24 President of the Ontario Command.

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1 EXAMINED BY MR. ESTEY:

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3 Q. I just have the one question I
4 would like to put to you, Inspector. Do your
5 Provincial Police records indicate, or your
6 personal knowledge, that this Unit, 326,
7 Centre Road, was ever charged with gambling?

8 A. I haven't that knowledge.

9 Q. Specifically, do you know
10 whether the Club or any one else charged at
11 the Club has ever raised a defence under
12 Section 168, subsection 2, of the Criminal
13 Code?

14 A. No, I don't. I don't know that.

15 Q. You do not know that they did?

16 A. No, I don't.

17 Q. Can you state it positively?

18 A. The records would speak for
19 themselves but I never looked into that
20 question, sir.

21 MR. ESTEY: I wonder if we could have
22 the officer do that? The Provincial Police
23 have reported on this Club.

24 MR. WILSON: We went all over that.
25 The record was in. They were prosecuted
26 back in 1952.

27 THE WITNESS: There are very lengthy
28 records on all these clubs.

29 MR. ESTEY: An Angelo Lafuade was
30 charged, and it is reported in 1953 Ontario





1 Weekly Notes. I wonder if we could have the
2 Inspector find that out?

3 THE COMMISSIONER: I have not heard of
4 any.

5 Q. You can look that up?

6 A. Yes.

7 MR. WILSON: It is pretty late in the
8 day for another counsel for the Liberal Party
9 to come in and ask for information that
10 was available.

11 THE COMMISSIONER: Whether it is late in
12 the day or not, it is not too late. My
13 impression was that there was not.

14 MR. ESTEY: Whether it is late in the
15 day or not this, after all, is the first
16 time this has come up on point 1, to my
17 knowledge.

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22
23 EXAMINED BY MR. LAWLER:

24 Q. You were concerned with all
25 Dominion Charter Clubs operating in Ontario?

26 THE COMMISSIONER: No.

27 MR. LAWLER: Social clubs?

28 THE COMMISSIONER: No. He had to do
29 with federal charters or licences, provincial
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1 licences.

2 MR. LAWLOR: Q. There is another Unit
3 called the Merchant Navy Veterans Association
4 operating out of Bertie Township. Did you
5 investigate that?

6 A. No.

7 Q. Did you investigate the federally
8 chartered club operating in Ontario by the
9 name of the Nassay Club?

10 A. No.

11 THE COMMISSIONER: Mr. Lawlor, the main
12 purpose in calling this witness was this:
13 There has been some suggestion that when
14 the Provincial charters were granted and
15 the Dominion licences -- or, licensees gave
16 an undertaking they would not operate in
17 the province but would come under the
18 jurisdiction of the Provincial Secretary,
19 that when those licences were granted these
20 persons, who had been operating as licensees
21 under the federal jurisdiction, were in
22 danger at that time of having their licences
23 cancelled. This officer has been inves-
24 tigating that to the best of his ability.

25 MR. LAWLOR: Yes, Mr. Commissioner,
26 but that reasoning is equally applicable
27 to the Canadian Merchant Navy Veterans -
28 that is, the one that turned into the
29 Roseland Club. It is a separate entity; it
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28. twenty-eighth, which is the



1 has nothing to do with the Army, Navy or Air
2 Force. I do not know whether very much has
3 been said about it.

4 THE COMMISSIONER: Q. You do not know
5 anything about the successor of the Roseland
6 Club, whether it was liable to have lost
7 its charter or licence?

8 A. I may have something on that. I
9 may have a sketchy history of it, but I
10 believe that has already gone into evidence.

11 MR. WILSON: It has been covered several
12 times by other counsel.

13 THE WITNESS: I believe so.

14 THE COMMISSIONER: It has been hinted
15 or suggested that all these clubs were likely
16 to lose their --

17 MR. LAWLOR: Yes, but this is under
18 different jurisdiction and, if it was, then
19 other people at the top in Ottawa would
20 have the say whether this particular club
21 in Roseland would be in jeopardy and it would
22 be interesting to know if there is a linkage
23 in the directors among all these clubs,
24 even though they are called different names
25 under federal charters.

26 THE COMMISSIONER: I do not know.

27 MR. LAWLOR: I will abandon it for the
28 moment, Mr. Commissioner.

29 THE WITNESS: Yes, sir?
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1 MR. LAWLER: Q. Do you think you have
2 anything on that at all?

3 A. I have a sheet here that was
4 loaned to me from the anti-gambling files
5 of our Force.

6 THE COMMISSIONER: Q. You do not know
7 anything about that, that is not your sheet?

8 A. It isn't mine; I didn't
9 investigate it.

10 MR. LAWLER: I wonder if I might have
11 permission to glance over it after I finish
12 my questioning?

13 THE COMMISSIONER: Yes.

14 THE WITNESS: I am happy to let you
15 see it.

16 MR. LAWLER: Q. Are you aware the Army
17 and Navy Veterans Association was established
18 in 1927, the Federal charter was issued?

19 A. I can give you that.

20 MR. LAWLER: Mr. Commissioner, while
21 the Inspector is looking this up, I have a
22 question to ask you: I am leading into
23 the name of a certain man. I do not
24 know whether, Mr. Commissioner, your policy
25 with respect to the revelation of names --
26 This man in question was an original
27 incorporator or applicant for that Federal
28 charter. Then, there is subsequent
29 dealings with the charter through this man
30





1 from Peterborough over to the Cooksville club.

2 I have some notations taken out of files.

3 Right at the top, Mr. Commissioner.

4 MR. WILSON: Exhibit 55, Mr. Commissioner,
5 gives the date of incorporation, if you want it.
6 It is 1917.

7 MR. LAWLOR: It was 1917, not 1927?

8 MR. WILSON: 1917.

9 THE WITNESS: September the 20th, 1917.

10 MR. WILSON: That is right.

11 THE COMMISSIONER: There is a lot on
12 this sheet which certainly is not in evidence
13 yet.

14 MR. LAWLOR: Yes. I was wondering
15 whether it is proper to mention the man's
16 name.

17 THE COMMISSIONER: You can write it down
18 on a piece of paper and show it to the
19 witness and see if he knows anything about it.

20 ---Sheet of paper handed to witness.

21
22 MR. LAWLOR: Q. Does that name have
23 any bearing on your investigation? Does
24 it have any relation to the Army, Navy
25 Veterans Association as you investigated
26 them?

27 A. Not the way I read it. I don't
28 think so. I have never seen that name
29 before.
30



1. The first of these is the fact that the

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28. twenty-eighth of these is the fact that the

29. twenty-ninth of these is the fact that the

30. thirtieth of these is the fact that the



1 Q. You have never seen it before?

2 A. No.

3 Q. Would you give us a little of the
4 history of the club? For instance, did the
5 Army, Navy Veterans Association, 326, operate
6 out of Peterborough for a while after its
7 incorporation?

8 A. No.

9 Q. Where did it operate from in
10 Ontario?

11 A. 326?

12 Q. Yes.

13 A. At Cooksville.

14 Q. Only at Cooksville?

15 A. As far as I know, sir.

16 Q. From the date of its incorporation?

17 A. Army, Navy and Air Force Veterans,
18 yes. To the best of my knowledge.

19 THE COMMISSIONER: Q. That is, Unit 326?

20 A. Yes, Unit 326.

21 MR. LAYLOR: The Cooksville Unit.

22 Q. The Cooksville Unit is 326?

23 A. Yes.

24 THE COMMISSIONER: Are you asking him if,
25 to his knowledge, Unit 326 had ever operated
26 in Peterborough?

27 MR. LAYLOR: Q. Yes.

28 A. No.

29 Q. It always operated out of Cooksville?
30





1 A. Yes.

2
3
4
5 EXAMINED BY MR. ROSE:

6
7 Q. Mr. Devereaux, I gather, as far
8 as your investigation and conversation with
9 Mr. Gavin in Hamilton, the only evidence
10 you can find, so far, as to the licence of
11 the Cookville Club, the Centre Road Club,
12 being in jeopardy was in 1954 and that was
13 straightened out, evidently, by the Dominion
14 Command in 1955?

15 A. Oh, no. It was in jeopardy in
16 1954.

17 Q. Yes?

18 A. And it was cancelled about
19 August of '57.

20 Q. Surrendered in August of 1957?

21 A. I believe the -- a move was
22 made by the Provincial Command to lift the --
23 or, suspend the clubs and lift their charters
24 in the summer of '57 - and, that is 326
25 and 327.

26 Q. You said in 1954 there was some
27 difficulty and certain of the provincial
28 officers asked the Dominion Command to cancel
29 the licence of 326?
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THE
OFFICE
OF THE
SECRETARY
OF THE
NAVY
WASHINGTON
D. C.
20540-0100

MEMORANDUM FOR THE SECRETARY OF THE NAVY
SUBJECT: [Illegible]

1. [Illegible]

2. [Illegible]

3. [Illegible]

4. [Illegible]

5. [Illegible]

6. [Illegible]

7. [Illegible]

8. [Illegible]

9. [Illegible]

10. [Illegible]

11. [Illegible]

12. [Illegible]

13. [Illegible]

14. [Illegible]

15. [Illegible]

16. [Illegible]

17. [Illegible]

18. [Illegible]

19. [Illegible]

20. [Illegible]

21. [Illegible]

22. [Illegible]

23. [Illegible]

24. [Illegible]

25. [Illegible]

26. [Illegible]

27. [Illegible]

28. [Illegible]

29. [Illegible]

30. [Illegible]



1 A. Yes, they did.

2 Q. As a result of that request you
3 said an investigating committee was set up by
4 the Dominion Command in 1957 (sic) and, as
5 a result of representations or investigation,
6 the Dominion Command refused to cancel the
7 licence of Unit 326?

8 A. Yes. Mr. Louis Herman interceded
9 on behalf of 326 in -- and it was brought up
10 in a meeting in Vancouver, in December.

11 Q. We have heard about that.

12 A. And, as a result of that, an
13 investigative committee was formed and in the
14 spring of '55 they ruled that they would be
15 allowed to continue to operate.

16 Q. Yes. And from '55 up to that
17 time, the next time you know anything about
18 the licence was in the summer of '57?

19 A. Yes, that is correct.

20 Q. And that is at the time the
21 Provincial charters were issued and Unit 326
22 surrendered its federal licence?

23 A. Yes, that is right, sir.

24 MR. WILSON: Mr. Commissioner, we have
25 discussed this matter with Mr. Lundberg of
26 Vancouver, the present President of the
27 Dominion --

28 THE WITNESS: Belleville.

29 MR. WILSON: I said Vancouver. At
30



1 Belleville. And I think this witness has also,
2 in the course of his investigation, spoken to
3 Mr. Lundberg.

4 THE WITNESS: Yes, I did.

5 MR. WILSON: Q. Did you get any infor-
6 mation on the question of jeopardy which was
7 in any way inconsistent with what you got
8 from Mr. Gavin?

9 A. No, I didn't.

10 Q. That is all.

11 THE COMMISSIONER: Q. That is all.

12 Thank you.

13
14 ---The witness withdraws.

15
16
17
18 MR. WILSON: I think Mr. Estey will let
19 me know whether he wants Mr. Gavin in the
20 morning.

21 Apart from that, that is all for to-day.

22 THE COMMISSIONER: All right.

23 At 10.00 o'clock to-morrow morning.

24 ---Whereupon the hearing adjourned at 3.50 o'clock
25 p.m. on Thursday, 11th October, 1962, until
26 10.00 o'clock a.m. on Friday, 12th October, 1962.



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VOLUME NO

53

ROYAL COMMISSION

ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

Date Wed... Sept.. 26.. 1962

pp 10,654

- 10897



Supreme Court Reporters
145 Yonge St.
Toronto

63

VOLUME NO.

ROYAL COMMISSION

ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

Date **Fr** 1., Oct. 12, 1962

pp 12,536 -- 12,716



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Toronto



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<u>No.</u>	<u>No.</u>	<u>Description</u>
294-A	12540	Copy of letter from Mr. Wilson to Mr. MacKinnon, dated March 2, 1962
294-B	12541	Letter from Mr. MacKinnon to Mr. Wilson, dated March 12, 1962



1. 1944-1945

2. 1946-1947

3. 1948-1949

4. 1950-1951

5. 1952-1953

(Continued)

6. 1954-1955

7. 1956-1957

8. 1958-1959

9. 1960-1961

10. 1962-1963



A/WJR/1

FRIDAY, OCTOBER 12, 1962

---On resuming at 10.30 a.m.

NORMAN PHELPS, sworn,

EXAMINED BY MR. WILSON:

Q. You are associated with the Ontario Provincial Police?

A. For thirty-five years.

Q. In what capacity?

A. Executive Officer.

Q. And in the course of your duties as Executive Officer I take it you have quite a bit to do with the Commissioner of the day?

A. That's right, sir.

Q. We have had some evidence here that Inspector Stringer of No. 8 District approached or discussed with Corporal Shrubbs and Sergeant Hatch, as he was then, and endeavoured to persuade them to go to his District. Now, do you know of any such approach or any knowledge of such approach coming to the attention of Commissioner McNeill?

A. Yes, sir. I remember an incident that there was a meeting in the late Commissioner's office, and I think Inspector Ramsbottom and Inspector Hatch, who was then Sergeant of the



Page 4

OFFICE OF THE ATTORNEY GENERAL

IN RE: [illegible]

[illegible]

[illegible]

Q. You are associated with the Ontario

Provincial Police

A. For thirty-five years.

Q. In what capacity?

A. As a constable.

Q. And in the course of your duties

as Executive Officer I take it you have come

into contact with the Commissioner of the City

A. Yes, sir.

Q. He has had some evidence that

that Inspector Gurney of No. 5 Division

was involved in the [illegible]

and Sergeant Hackett, as he was then, had

endeavored to persuade them to go to his

office. Now, do you know of any such

approach or any knowledge of such approach

coming to the attention of Commissioner

himself?

A. Yes, sir. I remember an incident

and there was a meeting in the late Commissioner's

office, and I think Inspector Hackett and

Inspector Hackett, who was then, of the



1 Essex Detachment, they were discussing gambling
2 activities generally, and I think during the
3 conversation there was some mention that
4 District Inspector Stringer had approached
5 Sergeant Hatch and told him if he ever
6 wanted to transfer down to the Peterborough
7 area he thought he could arrange it.

8 Q. What was the Commissioner's
9 reaction to it?

10 A. Well, of course, I know the late
11 Commissioner McNeill as an outstanding
12 administrator and dedicated police officer,
13 and I know Inspector Stringer, or any other
14 Inspector in the province, would have no
15 preference.

16 Q. I take it you did not have any
17 particular knowledge of his approach to
18 Shrubb?

19 A. No, sir.

20 Q. Apart from Hatch, did you have
21 any knowledge of any other approaches that
22 Stringer made to any other officers to
23 induce them to come to District 8?

24 A. No, not actually, sir. There
25 have been rumours that Inspector Stringer
26 did approach some members of the Force to
27 serve under him in his District, but I feel,
28 it is my impression, that he thought
29 considerably of the member of the Force he
30



activities generally, and I think during the conversation there was some mention that District Inspector Springer had approached Sergeant Hosen and told him if he ever wanted to know what was in the photograph area he should go to the office.

What was the Commissioner's reaction to it?

A. Well, of course, I know the late Commissioner Nichols as an outstanding administrator and dedicated police officer, and I knew Inspector Springer, on any other Inspector in the province, would have no preference.

I think you did not have any particular knowledge of his approach to

Q. Apart from Hosen, did you have any knowledge of any other approach that Springer made to any other officers to induce them to come to District 6?

A. No, not actually, sir. There have been rumors that Inspector Springer did approach some members of the force to have Hosen in his District, but I feel

that the majority of the members of the force in



1 approached; and a number of the boys in the
2 Province, they feel that Peterborough is a very
3 good district to serve in, generally.

4 Q. I think that is all, thank you.

5 THE COMMISSIONER: Have you any questions?

6 MR. ESTEY: No, Mr. Commissioner.

7 THE COMMISSIONER: That is all.

8
9 ---The witness withdraws.

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14 MR. WILSON: Now, Mr. Commissioner, Mr.
15 Estey informed me this morning he does not
16 want Mr. Gavin of Hamilton called as a
17 witness. He said yesterday he would
18 consider the matter and has made that
19 decision.

20 With the calling of Mr. Phelps I conclude
21 the presentation of evidence on Question 2
22 relating to the Attorney General's
23 Department.

24 There has been exhaustive evidence
25 before on that particular part of the
26 reference here and we have had the assistance
27 of counsel for both the Liberal Party and
28 the New Democratic Party.

29 Not all of the persons that were inter-
30 viewed were found to have relevant evidence,



...and it is not in the best of the

Province, they feel that Potemkin is a very

good example of what is possible.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

---The witness withdrew.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.

A. Yes, that is all, thank you.

Q. I think that is all, thank you.



1 but all who did have relevant evidence were called
2 to give that evidence.

3 So, that concludes the evidence on that
4 phase of the matter.

5 I now call Mr. Gudney on Question 1.

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and all the other things that have happened here since

the first of the year.

So, that's the way the evidence is

presented to the jury.

I now call Mr. Gentry on the stand.

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ROBERT JAMES CUDNEY, recalled.

THE COMMISSIONER: Q. You are already under oath, Mr. Cudney?

A. Yes, sir.

MR. WILSON: He is being called to enable my friends to cross-examine him, and before he is cross-examined I would like to file, Mr. Commissioner, in order to complete the record on this, I would like to file as exhibits a copy of my letter to Mr. MacKinnon, dated March 2nd, 1962, which, while it was referred to at 11482, I thought at that time had been filed as an exhibit and apparently it was not. I would then like to file Mr. MacKinnon's reply to that letter, which is dated March 12th, 1962, and has certain enclosures which are attached. There is one enclosure in Mr. MacKinnon's letter referring to some names of thirty-one clubs whose charters had been cancelled and which were referred to in Mr. Wintermeyer's speech. I haven't got that copy. In fact, it has been read into the record verbatim at page 9213, so if I might file the copy of my letter and Mr. MacKinnon's reply, with enclosures.

THE COMMISSIONER: Yes.

---EXHIBIT NO. 294-A: Copy of letter from Mr. Wilson to Mr. MacKinnon, dated March 2, 1962.



THE COMMISSIONER: Q. For the purpose

under oath, Mr. Conway?

A. Yes, sir.

THE COMMISSIONER: He is being called to testify

my friends to cross-examine him, and before

he is cross-examined I would like to file,

Mr. Commissioner, in order to complete the

record on this, I would like to file an

exhibit a copy of my letter to Mr. Macdonald,

dated March 2nd, 1905, which, while it was

referred to as 12002, I thought at that time

had been filed as an exhibit and apparently

it was not. I would then like to file

Mr. Macdonald's reply to that letter, which

is dated March 10th, 1905, and has certain

enclosures which are attached. There is

one enclosure in Mr. Macdonald's letter

referring to some names of thirty-one others

whose characters had been cancelled and which

were referred to in Mr. Winemeyer's speech.

I haven't got that copy. In fact, it has

been read into the record verbatim at page 2011,

so if I might file the copy of my letter and

Mr. Macdonald's reply, with enclosures.

THE COMMISSIONER: All right.

---EXHIBIT NO. 12041: Copy of letter from Mr. Macdonald to Mr. Winemeyer, dated March 2, 1905.



1 ---EXHIBIT NO. 294-B: Letter from Mr. MacKinnon
2 to Mr. Wilson, dated
3 March 12, 1962.

4 MR. WILSON: There is a copy of that
5 enclosure, the missing enclosure, which has
6 been handed to me, and I think we might
7 attach that and complete the documents.

8 MR. ESTEY: Mr. Commissioner, the
9 Commission will recall, when this subject
10 matter on point 1 was presented, that the
11 order-in-council was read and we had
12 Mr. Yaremko, the Provincial Secretary, and
13 a myriad of supporting evidence was read.
14 Mr. Yaremko proceeded to read this and
15 answer questions from Commission counsel,
16 and thereafter Mr. Cudney, the Deputy
17 Provincial Secretary, appeared relatively
18 briefly and dealt with clubs that he had
19 made certain recommendations about which
20 were not followed.

21 Now, your lordship will recall that I
22 raised this before and I now formally raise
23 it again. It is somewhat unusual to do
24 it in this way rather than having the
25 opportunity to examine the author of the
26 brief. I say it is odd because we have
27 the Minister of the Crown to open before
28 this Commission, but the brief is left to
29 a senior staff member of the Department.

30 Speaking for myself, it would be, in



Mr. Wilson: There is a copy of this
 enclosure, the missing enclosure, which has
 been handed to me, and I think we might
 attach that and complete the document.
 Mr. Bailey: Mr. Commissioner, the
 Commission will recall, when this subject
 matter ought I was presented, that the
 order-in-council was read and we had
 Mr. Yarnick, the Provincial Secretary, and
 Mr. Yarnick proceeded to read this and
 answer questions from Commission counsel,
 and Mr. Yarnick, I think, was
 brief and dealt with things that he had
 more certain recommendations about which
 were not followed.
 raised this before and I now formally raise
 it again. It is somewhat unusual to do
 it in this way rather than having the
 opportunity to examine the matter on the
 brief. I say it is odd because we have
 the Commission, but the brief is left to
 a single staff member as the representative
 Speaking for myself, it would be, in



1 my submission, more appropriate and be better to
2 examine the Minister of the Crown first and
3 thereafter take up the specific matters
4 that we have been talking about.

5 Now, I made that submission before and
6 I hope your lordship will consider the matter
7 again.

8 MR. LAWLOR: I want to go along strongly
9 with that submission, my lord. My cross-
10 examination has been prepared with that
11 specific object in mind in order to
12 eliminate any unnecessary matters. I thought
13 that Mr. Yaremko would appear in the first
14 instance, so I have eliminated matters in one
15 way in order not to ask Mr. Cudney those
16 questions.

17 It just throws the cross-examination
18 out of kilter, and I ask that it be reversed
19 and we be given an opportunity to cross-
20 examine the Minister in the first instance
21 and then, subsequently, Mr. Cudney.

22 THE COMMISSIONER: Well, that is not
23 my idea, and I knew this was going to be
24 raised and I will tell you why I do not
25 agree.

26 Mr. Cudney has been in the Department --

27 Q. For how many years, Mr. Cudney?

28 A. Going on thirty-one years.

29 THE COMMISSIONER: --- going on thirty-one
30



examine the Minister of the Crown first and

thereafter take up the specific matters

that we have been talking about.

Now, I made that admission before and

I hope that I am not repeating myself.

Again.

MR. LAUREN: I want to go along strongly

with that admission, my lord. My excuse-

was that I was not prepared with you

specific object in mind in order to

eliminate the possibility of error.

What Mr. Yarnall would appear in the first

instance, as I have eliminated matters in one

way in order not to ask Mr. Gaudy those

questions.

It just shows the cross-examination

one of Kitten, and I ask that it be reversed

and we be given an opportunity to cross-

examine the Minister in the first instance

and then, subsequently, Mr. Gaudy.

THE COMMISSIONER: Well, that is not

my idea, and I know that was going to be

raised and I will tell you why I do not

agree.

Mr. Gaudy has been in the Department --

for how many years, Mr. Gaudy?

A. Going on thirty-one years.

THE COMMISSIONER: -- going on thirty-one



1 years, and as I have before stated he is pretty
2 much informed in the Department as far as
3 social clubs are concerned, and he has
4 knowledge of matters of which Mr. Yaremko,
5 the present Minister, had no knowledge except
6 second-hand, and it seems to me that the
7 proper course, with deference to your sub-
8 mission, ^{is} to get the man in the box who had
9 first-hand knowledge throughout the whole
10 period.

11 The Minister, Mr. Yaremko, can come in
12 and he can speak as to a particular period
13 when he was Minister.

14 Will you proceed in that fashion.

15
16
17
18
19 EXAMINED BY MR. ESTEY:

20 Q. Mr. Cudney, before going into
21 these files of yours, I think it might be
22 helpful for all concerned if we were to
23 discuss briefly the nature of the clubs
24 and the operation of the Corporations Act
25 under your administration. You are the
26 Deputy Provincial Secretary which means
27 you are the Deputy Minister in charge of
28 that Department?
29

30 A. Yes.



...and as I have before stated in an early
 ...in the Department as far as
 ...and the
 ...of the
 ...the present Minister, had no knowledge of
 ...second-hand, and it seems to me that the
 ...in
 ...the man in the box who had
 ...period.

The Minister, Mr. Yarnall, can come in
 and he can speak as to a particular period
 when he was Minister.

EXHIBIT A

...Mr. Gurney, before going into
 these lines of work, I think it right to
 explain to all concerned in the work to
 observe strictly the nature of the cases
 and the operation of the Corporation Act
 under your administration. You are the
 Deputy Provincial Secretary in charge of
 the work of the Deputy Minister in charge of



1 Q. And you have been since 1946?

2 A/ August 1st, 1946, Mr. Estey.

3 Q. The role of the Deputy Minister
4 in your Department is that of being the
5 chief executive officer conducting the conduct
6 of the administration but you do not make
7 policy, do you?

8 A. The policy is formulated by the
9 government.

10 THE COMMISSIONER: Q. All you do is
11 follow the policy?

12 A. That is right, my lord.

13 MR. ESTEY: Q. But more specifically,
14 regarding exercising discretion, particularly
15 cancellation of charters, I take it those
16 decisions are made by the Minister of the Crown,
17 and not by you?

18 A. Yes, they are made finally by the
19 Minister.

20 Q. And the Minister exercises the
21 discretion granted by the Legislature?

22 A. That's right.

23 Q. And under you, you have a staff
24 of lawyers and other people and they make
25 recommendations to you and you may or may not
26 pass those along to the Minister?

27 A. Except to the cancellation of the
28
29
30



Q. And you have been since 1907?

A. August 1st, 1907, Mr. Taylor.

in your Department in that of being the

of the administration but you do not make

policy, do you?

A. The policy is formulated by the

THE COMMISSIONER: Q. All you do is

follow the policy?

A. That is right, my lord.

consolidation of chapters, I take it these

decisions are made by the Minister of the Crown,

and not by you?

A. Yes, they are made finally by the

Q. And the Minister exercises the

discretion granted by the Legislature?

A. And under you, you have a great

of lawyers and other people and they make

recommendations to you and you may or may not

A. Except to the consolidation of the



1 charters. It has always been my practice and
2 I do not recall an instance where there has
3 been a police complaint that I have not
4 discussed with the Minister.

5 Q. And that is because involved
6 in these police complaints is the decision
7 of cancellation or not, and that is not your
8 sole field?

9 A. That is true, yes.

10 Q. Well then, moving into the
11 specific question of these social clubs, I
12 take it that by and large we are talking about
13 corporations incorporated under Part 3 of the
14 Act?

15 A. Yes, social clubs are mostly
16 incorporated under Part 3. There can be a
17 social club and there can be a different
18 one, but it is very rare that social clubs will
19 have share capital.

20 Q. And Part 3 are corporations
21 specifically limited in their authority
22 to providing a profit to the members,
23 whereas usually a share capital company
24 will have a return on their investment?

25 A. Yes, on a non share the Act
26 provides that the members cannot make any
27 profit. Some social clubs -- years ago, many
28 golf clubs were under that, but for many
29 years the practice has been that social
30



...the fact that the ...

I do not recall an instance where there was

...the fact that the ...

discussed with the Minister.

Q. And that is because involved

in these police complaints is the decision

of cancellation or not, and that is not your

...the fact that the ...

A. That is true, yes.

Q. Well then, moving into the

specific question of these social clubs, I

take it that by and large we are talking about

corporations incorporated under Part 3 of the

...

A. Yes, social clubs are mostly

incorporated under Part 3. There can be a

social club and there can be a different

one, but in the very sense that social clubs are

have share capital.

Q. And that is the ...

specifically limited in their authority

to providing a profit to the members,

whereas usually a share capital company

will have a profit to the shareholders.

A. Yes, on a non-share basis the

in view that the members cannot make any

profit. Some social clubs = have no, many

social clubs were under Part 3, but for many

years the practice has been that social



1 clubs are transferred from the share capital
2 to the non share -- non profit.

3 Q. I suppose the Act speaks for
4 itself and Section 101 -- which you know of?

5 A. Yes.

6 Q. Generally, what purpose -- why
7 do people take out a corporation charter
8 that is under share capital -- why are these
9 companies using it?

10 A. You mean in respect to social
11 clubs?

12 Q. What is the purpose of it?

13 A. There are different advantages.
14 One advantage is it gives the corporation
15 a better position or standing in the holding
16 of real estate. If they run unincorporated
17 they do not have that. Also it gives them a
18 better status.

19 THE COMMISSIONER: As I heard your
20 question you were asking him the advantages
21 of a non profit corporation in contrast to
22 share capital.

23 THE WITNESS: I am sorry, my lord.

24 THE COMMISSIONER: That is what you had
25 in mind?

26 MR. ESTEY: That is correct, my lord.

27 THE WITNESS: As contrasted to the
28 share capital, a non share is the fact that
29 the advantage is the members cannot make a
30



clips are transferred from the share capital
to the new share -- non profit.

Q. I suppose the old share was
issued for the purpose of the new share?

A. Yes.
Q. Generally, what purpose -- why

do people take out a corporation charter
and in some cases convert to the new share?

Q. I suppose the old share was
A. You mean in respect to social

status?
Q. What is the purpose of it?

A. There are different advantages.
One advantage is it gives the corporation

a better position or standing in the holding
of real estate. It may run unincorporated

they do not have that. Also it gives them a
better standing.

Q. THE COMMISSIONER: As I heard your
question you were asking him the advantage

of a non profit corporation in contrast to
a profit corporation.

Q. THE WITNESS: I am sorry, my lord.
THE COMMISSIONER: What is what you had

in mind?
Q. MR. WITNESS: That is correct, my lord.

Q. THE WITNESS: As contrasted to the
share capital, a non share in the fact that

the advantage in the members owned into a



1 profit.

2 Q. It may be an advantage or a dis-
3 advantage?

4 A. Yes. It is decided=when the
5 corporation people get together that it is to
6 be a non profit and they obtain that.

7 MR. ESTEY: Q. I suppose formalities
8 are much simpler than an organization of non
9 capita; for instance, getting a charter from the
10 Department?

11 A. Yes. The minimum for share
12 capital is \$100 and up, and the non share is
13 \$20; and if the share capital is \$5 and up,
14 in the non share it is \$1. Then there is the
15 whole matter of taxation and returns, and
16 so on.

17 Q. Well now, under Section 101 we
18 have a list of social clubs but I take it, as
19 far as you are concerned, we are only interested
20 in that part of Section 101 which deals with
21 corporations which are of a social nature in
22 whole or in part?

23 A. Yes.

24 Q. And your analysis in the brief
25 253 concentrates exclusively on that part of
26 Section 101. I think you told us in your
27 examination-in-chief you regard the following
28 clubs as social?

29 A. Do you mean Part 1?

30 Q. Part 3?

A. Part 1 has been extended to apply



Q. Now,

A. It may be an advantage on a dis-

advantage?

A. Yes. It is decided when the

company is formed and the capital is in

the hands of the company and the capital is

in the hands of the company and the capital is

in the hands of the company and the capital is

capital; for instance, getting a charter from the

Department?

A. Yes. The minimum for share

capital is \$100 and up, and the non share is

\$20; and in the share capital is \$5 and up.

Is the non share capital in the hands of the

company and the share capital is in the hands of

the company?

Q. Well now, under Section 101 we

have a list of social clubs but I take it, as

far as you are concerned, we are only interested

in that part of Section 101 which deals with

corporations which are of a social nature in

whole or in part?

A. Yes.

Q. And your analysis in the list

of 223 concentrates exclusively on that part of

Section 101. I think you told us in your

examination-in-chief you regard the following

as a social

A. Do you mean Part 1?

Q. Part 1?

A. Part 1 has been extended to 223.



1 to all types, share and non share social clubs.

2 Q. Dealing with another part of the
3 Act, do you recall in Section 3 it deals
4 with the corporation and Section 326 deals
5 with the cancellation. I take it that the
6 Department's view of the Statute is that
7 the discretion to be exercised in a
8 corporation is of the same nature as the
9 discretion to be exercised on cancellation?

10 A. I would say so, Mr. Estey, yes.
11 There is some jurisprudence on both. My
12 own view is honestly and fairly and not
13 arbitrarily it is a discretion; but it must
14 act honestly.

15 Q. The same would apply to Section 291
16 but the Provincial Secretary would approve or
17 disapprove of a move of the club's premises?

18 A. Yes.

19 Q. And these are discretions
20 exercised by the Provincial Secretary with
21 or without recommendation? They are not
22 exercised by you, none of these three?

23 A. No, they are exercised by the
24 Provincial Secretary.

25 Q. Yes.

26 A. The Act gives the Provincial
27 Secretary that discretion.

28 Q. I would like to deal with the
29 formalities of carrying on one of these
30



to all types, share and non share social class.

Q. Dealing with another part of the

Act, do you recall in Section 3 it deals

with the corporation and Section 320 deals

with the corporation. I came to that the

Department's view of the Statute in that

the discretion to be exercised in a

corporation is of the same nature as the

discretion to be exercised on cancellation?

A. I think so, yes, that is true.

There is some jurisprudence on both. My

own view is honestly and fairly and not

arbitrarily to be a discretion; but it must

not honestly.

Q. The same would apply to Section 321

but the Provincial Secretary would approve or

disapprove of a move of the club's premises?

A. Yes.

Q. And there are discretions

exercised by the Provincial Secretary with

or without recommendation? They are not

exercised by you, none of these three?

A. No, they are exercised by the

Provincial Secretary.

Q. Yes.

A. The Act gives the Provincial

Secretary and himself.

Q. I would like to deal with the

formulation of opinions on one of these



1 companies, because when we move into the
2 files some of these were not observed by the
3 clubs. The corporations without share capital
4 are required by the Act to maintain a minute
5 book?

6 A. Yes.

7 Q. And maintain a charter of the
8 club's premises?

9 A. Yes.

10 Q. And the corporation bylaws?

11 A. Yes, books of account, minute
12 books, and so on.

13 Q. And it is one of the scriptures of
14 the Act itself?

15 A. Yes.

16 Q. With that in mind, can you tell me
17 what actions have been taken against the = in
18 respect of these part 3 clubs = what action
19 has been taken during the period covered by your
20 brief in respect of Section 340? I think that
21 is the general section.

22 THE COMMISSIONER: Have you got a copy of
23 the Act?

24
25
26 (Page 12550 follows)
27
28
29
30



...some of these were not covered by the
...the corporation without these capital
...and retained by the Act to maintain a minute

A. Yes.

...the corporation's interest in the

...the corporation's interest in the

A. Yes.

Q. And the corporation's interest in the

A. Yes, I believe it is correct, correct.

...the corporation's interest in the

Q. And it is one of the corporation's

...the corporation's interest in the

A. Yes.

Q. With that in mind, can you tell me

what actions have been taken against the - in

respect of these part 3 clubs - what action

has been taken during the period covered by your

brief in respect of Section 302? I think that

is the general question.

THE EXAMINER: Have you got a copy of

the Act?

(page 10280 follows)



B/1/FAL

1 MR. ESTEY: Q. "Every corporation
2 "that, and every person who, being
3 "a director or officer of the
4 "corporation, or acting on its
5 "behalf, commits any act contrary
6 "to any provision of this Act, or
7 "fails or neglects to comply with
8 "any such provision, is guilty of
9 "an offence . . ."

10 And so on. Has that been applied by the
11 Department?

12 A. Section 341 generally gives the
13 shareholder or the member in a non-share the
14 right to apply to the court to take action.

15 Q. Are you looking at the same section?
16 I am not referring to Section 341.

17 A. No. I am sorry. That has
18 been changed, Mr. Estey, in respect to Part III
19 companies? No.

20 Q. No prosecutions instituted by
21 your Department?

22 A. No -- Well, this is a general
23 penalty section.

24 Q. That is right.

25 A. No, I don't recall that there has
26 been.

27 Q. When this -- That is the kind
28 of section, I should perhaps ask you to explain
29 on this, that is a general section on which you
30



"that, and every person who, being

"corporation, or acting on its

"behalf, commits any act contrary

"to any provision of this Act, or

"failure or neglects to comply with

"any such provision, is guilty of

"an offense"

And so on. Has that been applied by the

A. Section 341 generally gives the

shareholder or the member in a non-share the

right to apply to the court to take action.

Q. Are you looking at the same provision?

I am not referring to Section 341.

A. No. I am sorry. That was

been changed, Mr. Judge, in respect to that I

company? No.

Q. No provisions introduced by

A. No -- Well, this is a general

penalty section.

Q. That is right.

A. No, I don't recall that there was

Q. When this -- That is the kind

of section, I should perhaps ask you to explain

on this, that is a general section on which you



1 rely to prosecute share capital companies and
2 others?

3 A. The failure to file the return.
4 It is a general penalty section, but through
5 the Act -- And, my lord, there are several
6 sections providing for penalties and the general
7 penalty section is embracive where there is
8 no penalty provided. This covers in respect
9 to the failure to file annual returns - that is,
10 under the Corporations Information Act.

11 Q. Section 3 of the Corporations
12 Information Act?

13 A. Yes. We have prosecuted a number
14 of companies under that section for failure to
15 file returns.

16 Q. Have you prosecuted any Part III
17 companies under that?

18 A. Yes.

19 Q. Social clubs?

20 A. Yes. I don't know whether --
21 I couldn't say offhand whether they have been
22 social clubs but it has been taken across the
23 board, the prosecutions. I can't say whether
24 they were social clubs.

25 Q. I have not found such a prosecution,
26 that is why I asked.

27 A. Our procedure there, in the
28 prosecution, is to proceed in Division Court
29 rather than police court. We sue for the penalty
30



Q. Now, would you please read the section that

others?

A. The failure to file the return.

It is a general penalty section, but through

the Act -- And, my lord, there are several

sections providing for penalties and the general

penalty section is contained where there is

no penalty provided. This covers in respect

to the failure to file annual returns -- that is,

and the provisions of the Act.

Q. Section 3 of the Corporation

Act?

A. Yes. We have provided a number

of companies under that section for failure to

file returns.

Q. Have you prosecuted any Part III

companies under that

A. Yes.

Q. And class

A. Yes. I don't know whether --

I couldn't say offhand whether they have been

social class but it has been taken across the

board, the prosecutions. I can't say whether

any were social class.

Q. I have not found such a prosecution,

that is why I asked.

A. Our procedure there, in the

prosecution, is to proceed in Division Court

rather than police court. We are for the benefit



1 of \$200.

2 Q. You recover the penalty?

3 A. Yes.

4 Q. You mentioned Section 3 of The
5 Corporations Information Act.

6 A. It usually has the effect, once
7 the statement of claim is filed, it has the
8 effect of the company filing the return. I
9 don't know of one case where --

10 THE COMMISSIONER: Q. Actually sued
11 and collected the penalty?

12 A. I know one case where we collected
13 the penalty. We have sued in a number of
14 cases but the effect of the court brought about
15 the filing of the return.

16 MR. ESTEY: Q. But do you sue the officers
17 on the club?

18 A. The corporation.

19 Q. Section 3 of The Corporations Act.
20 Have you ever prosecuted the officer of one
21 of these Part III clubs under subsection 8
22 of Section 3? Have you ever gone after a
23 director or officer who has not filed a return
24 or made a false statement in any particular in
25 the return?

26 THE COMMISSIONER: Section 3(8), did you
27 say?

28 MR. ESTEY: Yes.

29 THE COMMISSIONER: Of what statute?
30



of \$200.

Q. Was the money ever received?

A. Yes.

Q. You mentioned Section 3 of The

Corporations Information Act.

A. It usually has the effect, once

the statement of claim is filed, it has the

effect of the company filing the return. I

don't know of one case where --

THE COMMISSIONER: Q. Actually said

and collection was possible?

A. I know one case where we collected

the penalty. We have said in a number of

cases that the effect of the court brought about

the filing of the return.

Q. But do you see the officers

of the corporation?

A. The corporation.

Q. Section 3 of The Corporations Act.

Have you ever prosecuted the officer of one

of these kind III of the under subsection 8

of Section 3? Have you ever gone after a

director or officer who has not filed a return

or made a false statement in any particular in

the return?

THE COMMISSIONER: Q. (1) Is it

not

THE COMMISSIONER: Q.

THE COMMISSIONER: Q. What is the



1 MR. ESTEY: The Corporations Information
2 Act, page 174 and 5.

3 A. No, we haven't, Mr. Estey.

4 Q. That would apply in the case where
5 a club filed a false annual return, would it not?

6 A. Yes, it would.

7 Q. So, if I had a club and we are
8 ten years in arrears of returns and put them
9 in for ten years and put in the first officers
10 that came to mind I would be liable for prosecution
11 personally under subsection 8?

12 A. Where you had made a return, not
13 being an officer?

14 Q. Where I make up a return and list
15 the officers falsely.

16 A. Yes.

17 Q. On the back of your present annual
18 return there is not an affidavit but there is a
19 certificate?

20 A. Yes, there is a certificate, which
21 has the effect of an affidavit.

22 Q. Going back, then, to 340 of The
23 Corporations Act - it is at page 162. That
24 section would apply where there is no specific
25 penalty. So, I suppose, if a Part III corporation
26 did not keep a minute book properly, keep its
27 by-laws properly, the club could be prosecuted
28 under that section?

29 A. Yes. And I think there is a
30

B/2



Q. Now, you mentioned that...

A. Yes, I did.

Q. Now, you haven't, Mr. Hakey.

A. Yes, I have.

Q. And this is the only one...

A. Yes, it would.

Q. So, if I had a club and we are...

ten years in arrears of returns and put them...

in for ten years and put in the first return...

that came to mind I would be liable for prosecution...

Q. Now, you mentioned...

A. Where you had made a return, not...

being an officer?

Q. Where I make up a return and list...

the officers...

A. Yes.

Q. On the back of your present annual...

return there is not an affidavit but there is a...

certification...

A. Yes, there is a certification, which...

has the effect of an affidavit.

Q. Going back, then, to 340 of the...

Corporations Act - it is at page 152. That...

section would apply where there is no specific...

penalty. So, I suppose, if a Part III corporation...

did not keep a minute book properly, keep its...

by-laws properly, the club could be prosecuted...

under that section?

A. Yes. And I think there...



1 general section, a section that requires the
2 company to keep books. There is a penalty
3 there.

4 Q. You have them both ways?

5 A. Yes.

6 Q. Have you prosecuted any social
7 clubs under that section?

8 A. No, we haven't. I don't know of
9 any cases. I have had a number of cases
10 requiring clubs to file special returns in the
11 form of submitting the books and there, often,
12 the story is that the books were lost or
13 destroyed by fire; not that they did not keep
14 them but that the books were lost or destroyed.
15 I don't know of any case.

16 Q. They would still have to replace
17 it, though?

18 A. Yes, usually. I mean, I will --
19 The matter will come to my attention and I
20 will ask for a special return, for all the
21 books, members' books, directors' register
22 and minute books, and so on; and very often
23 what has happened, the club -- say the alleged
24 change took place, say, in 1959 and I am asking
25 for the return in 1961. The books only
26 start in 1959. The story being, "Well,
27 that the books were lost or destroyed before that
28 and are not available".

29 Q. Quite a few fires in this Part III
30



general section, a section that requires the company to keep books. There is a penalty

Q. You have them both ways?

Q. Have you presented any social

A. No, we haven't. I don't know of

any cases. I have had a number of cases regarding clubs to file special returns in the form of admitting the books and there, often, the story is that the books were lost or destroyed by fire; not that they did not keep them but that the books were lost or destroyed. I don't know of any case.

Q. They would still have to replace

it, though?

A. Yes, usually. I mean, I will --

The matter will come to my attention and I will ask for a special return, for all the

and minute books, and so on; and very often

what has happened, the club -- say the altered

change took place, say, in 1952 and I am asking

for the return in 1951. The books only

acant in 1952. The story being, "Well,

that the books were lost or destroyed before they

and are not available."



1 field, are there? To go back to the beginning
2 of life of one of these corporations. We know
3 there is an application form, you have told
4 his lordship about that in chief. Your form
5 of application is settled by regulations, is
6 it not, regulations 61 and 60?

7 A. Yes.

8 THE COMMISSIONER: Q. Settled by
9 regulation what?

10 MR. ESTEY: 61 and 60, my lord. Oddly
11 enough, they are in reverse order. It is on
12 page 17, Mr. Commissioner, of the pamphlet.

13 Q. When this ---

14 THE COMMISSIONER: Just a moment.

15 All right. That (indicating) is the
16 form.

17 MR. ESTEY: On page 17, Mr. Commissioner.

18 THE COMMISSIONER: Where is the regulation?

19 MR. ESTEY: The regulation is numbered
20 60, on page 17, the one I am interested in;
21 but it actually starts back on page 12. The
22 main form is on page 12 and on page 17 there
23 is a further regulation, which adds one document
24 to that form.

25 Q. I think that is correct, isn't
26 it, Mr. Gudney?

27 A. Yes.

28 Q. I am interested in the form on
29 page 17 entitled "EVIDENCE OF BONA FIDES ON
30



field, are there? To go back to the beginning
of life of one of these corporations. We know
there is an application form, you have told
me that. Now, is that
of application is settled by regulations, is
it not, regulations 61 and 62?

A. Yes.

THE COMMISSIONER: Q. Settled by

regulation what?

MR. KATZ: 61 and 62, my lord. Only

enough, they are in reverse order. It is on

page 17, Mr. Commissioner, of the pamphlet.

Q. When this ---

THE COMMISSIONER: That is correct.

All right. - That (indicating) is the

THE COMMISSIONER: Where is the regulation?

MR. KATZ: The regulation is numbered

60, on page 17, the one I am interested in;

but it actually starts back on page 18. The

main form is on page 18 and on page 17 there

is a further regulation, which adds one document

to that form.

THE COMMISSIONER: I think that is correct, isn't it?

MR. KATZ:

A. Yes.

Q. I am interested in the form on

page 17 entitled "RETURN OF BONA FIDES ON



1 APPLICATIONS". The first is share capital
2 and the second corporations without share
3 capital. Is that correct?

4 THE COMMISSIONER: Just a moment.

5 Yes?

6 MR. ESTEY: Q. Mr. Cudney, so we will
7 get to a point with a minimum of delay: I am
8 obviously after the situation where someone
9 sets out to deceive the Department, to get an
10 incorporation to which they are not, in law,
11 entitled, or, as his lordship put it, to hood-
12 wink the Department. This affidavit of
13 bona fides is what has been prescribed under
14 Section 6 of the Act, which says:

15 " An applicant under this Act
16 "shall establish to the satisfaction
17 "of the Provincial Secretary the
18 "sufficiency of the application and
19 "all documents filed therewith and
20 "shall furnish such evidence of the
21 "bona fides of the application as
22 "the Provincial Secretary deems proper."

23 I take it this regulation was passed
24 under that?

25 A. Yes, under that, partly, and also
26 there is a general regulation section at the
27 back of the Act. It is a combination; it could
28 be under either.

29 Q. Paragraph 2 of this affidavit of
30



and the second corporations without share

capital. Is that correct?

THE COMMISSIONER: Just a moment.

MR. KENNEDY: O. Mr. Gurney, so we will

get to a point with a minimum of delay: I am

obviously after the situation where someone

sets out to deceive the Department, to get an

incorporation to which they are not, in law,

entitled, or, as his lordship put it, to hood-

lone the corporation.

Does this in what has been prescribed under

Section 2 of the Act, which says:

"An applicant under this Act

"shall establish to the satisfaction

"of the Provincial Secretary the

"sufficiency of the application and

"all documents filed therewith and

"shall furnish such evidence of the

"bona fides of the application as

"the Provincial Secretary deems proper."

I take it this regulation was passed

some time

A. Yes, under last, partly, and also

there is a general regulation section at the

back of the Act. It is a combination; it could

be done at any

Paragraph 2 of this affidavit of



1 bona fides says:

2 "I have a knowledge . . . " -
3
4 That seems to be a misprint but it is in both
5 sections.

6 "I have a knowledge of
7 "the matter and the statements
8 "in the annexed application con-
9 "tained are, to the best of my
10 "knowledge and belief, true in
11 "substance and in fact."

12 Paragraph 4 says:

13 "I have satisfied myself
14 "that no public or private interest
15 "will be prejudicially affected by
16 "the incorporation of the company
17 "aforesaid."

18 In the ordinary course of administering
19 this Act does your Department require any
20 additional evidence of bona fides under Section
21 6, or do you rely on that affidavit in regard
22 to social clubs?

23 A. No, the application for a social
24 club is the same as an application for any
25 other corporation without share capital,
26 except we do require the ages and addresses
27 of the applicants and, then, of course, it is
28 referred to the police.

29 Q. Yes.

30 A. To make sure of the bona fides.



" I have a knowledge . . . -
 That seems to be a mistake but it is in both

" I have a knowledge of
 "the matter and the statements
 "in the annexed application con-
 "tained are, to the best of my
 "knowledge and belief, true in
 "substance and in fact."

Paragraph 4 says:

"that no public or private interest
 "will be prejudicially affected by
 "the incorporation of the company

In the ordinary course of administration

this Act does not Department require any
 additional evidence of bona fides under Section
 6, or do you rely on that affidavit in regard
 to social classes?

A. No, the application for a social
 club is the same as an application for any
 other corporation without share capital,
 except we do require the ages and addresses
 of the applicants and, then, of course, it is
 referred to the police.

A. To make sure of the bona fides.



1 Q. I am referring to paragraph 2
2 of the regulations, 60, saying:

3 "Evidence of the bona fides
4 "of every application . . ." -
5 and, so on -

6 ". . . shall be furnished by filing
7 "with the application an affidavit . . ."
8 And I assume this is what you require
9 from the applicants?

10 A. Yes.

11 Q. The police report is a check on
12 the applicants?

13 A. Yes.

14 Q. But you do not require anything
15 further from the applicants?

16 A. No.

17 Q. Have there been any prosecutions
18 on this affidavit of bona fides under Part III
19 social clubs?

20 A. No, there hasn't been.

21 Q. I take it in all cases that is
22 completed and you would not process an application
23 if they did not complete that affidavit?

24 A. No, that has to accompany every
25 application.

26 THE COMMISSIONER: Just a moment.

27 We are talking about the course of the
28 life of a social club charter. You start with
29 the application in which the applicants provide
30



Q. I am referring to paragraph 2

of the affidavit, is that correct?

A. Evidence of the bona fides

"of every applicant . . ."

and, so on -

" . . . shall be furnished by filling

"with the application an affidavit . . ."

and I assume that is what you require

from the applicant?

A. Yes.

Q. The police report is a check on

the applicant?

A. Yes.

Q. But you do not require anything

from the applicant?

A. No.

Q. Have there been any prosecutions

on this affidavit of bona fides under Part III

of the Act?

A. No, there have been none.

Q. I take it in all cases that is

completed and you would not process an application

if they did not complete that affidavit?

A. No, that has to accompany every

application.

THE COMMISSIONER: That is correct.

We are talking about the course of the

case of a social club charter. You start with

the application in which the applicant provides



1 the affidavit of bona fides set out on page 17
2 of the regulations. Then, you ask the witness
3 if they -- if the Department has ever prosecuted
4 anyone for misleading the Department.

5 That was the substance of your question?

6 MR. ESTEY: Yes.

7 THE COMMISSIONER: What is the section
8 which permits the Department to prosecute for
9 a misstatement in the application?

B/3
10 MR. ESTEY: Perhaps we could ask Mr.
11 Gudney. I would think Section 340 is general
12 enough to catch anything.

13 A. 340 would cover it, I think,
14 the general section.

15 THE COMMISSIONER: "Every corporation
16 "that, and every person who, being a
17 "director or officer of the corpora-
18 "tion, or acting on its behalf,
19 "commits any act contrary to any
20 "provision of this Act, or fails or
21 "neglects to comply with any such
22 "provision, is guilty of an offence. . ."
23 and so forth.

24
25 Until the application is granted the
26 applicants are not directors or officers of
27 the corporation.

28 MR. ESTEY: 339, also, I think, my lord.

29 THE COMMISSIONER: Just a minute; we
30 will exhaust 340.



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the affidavit of bona fides set out on page 17
of the regulations. Then, you ask the witness
if they -- if the Department has ever prosecuted
anyone for this violation.

That was the substance of your question?
A. Yes, sir.

THE COMMISSIONER: What is the section
which permits the Department to prosecute for
a misstatement in the application?

MR. BENTLEY: Perhaps we could ask Mr.
Gardner. I would think Section 340 is General
Misconduct.

A. 340 would cover it, I think.

the General section.

THE COMMISSIONER: Now, I understand

"false, and every person who, being a

"director or officer of the corporation

"action, or acting on its behalf,

"violates any law or regulation or any

"provision of this Act, or fails or

"neglects to comply with any such

"provision, is guilty of an offense. . ."

and no more.

Until the application is granted the

applicants are not directors or officers of

the corporation. Is that right?

MR. BENTLEY: Yes, also, I think, my Lord.

THE COMMISSIONER: Just a minute; no

will exhibit 340.



1 Do you suggest that 340 would authorize
2 the prosecution of someone who, as you put it,
3 hoodwinked the Department by making a false
4 affidavit on the application for the charter?

5 MR. ESTEY: In the ordinary course I
6 would think the hoodwinking would come to light
7 after the incorporation and the corporation
8 would then exist. The person acting on its
9 behalf is the one filing the affidavit.

10 THE COMMISSIONER: He is not acting on
11 behalf of the corporation. The corporation is
12 not an entity until the charter is granted.

13 MR. ESTEY: This raises the old problem
14 which comes up in taxation. The general
15 jurisprudence is that that person has acted
16 on behalf of the corporation who pays the
17 incorporation fee before the incorporation.
18 That has been found to have been paid on behalf
19 of the corporation and becomes the application
20 of the corporation.

21 THE COMMISSIONER: It is anticipatory.

22 MR. ESTEY: I may be wrong on that in
23 general because Section 339 would be the
24 appropriate section.

25 THE COMMISSIONER: Let me see.

26 " Every person who makes or
27 "assists in making a statement in
28 "any return, certificate, financial
29 "statement or other document required



Do you suggest that 240 would otherwise

the presentation of someone who, as you say is,

hounded the department by making a false

statement in the department and the

MR. KERRY: In the ordinary course I

would think the hounding would come to light

after the incorporation and the corporation

would then exist. The person acting on its

behalf is the one filing the affidavit.

THE COMMISSIONER: He is not acting on

behalf of the corporation. The corporation is

not an entity until the charter is granted.

MR. KERRY: This raises the old problem

which comes up in taxation. The general

jurisdiction is that that person has acted

on behalf of the corporation who pays the

incorporation fee before the incorporation.

That has been found to have been paid on behalf

of the corporation and becomes the application

of the corporation.

THE COMMISSIONER: It is satisfactory.

MR. KERRY: I may be wrong on that in

general because Section 299 would be the

general rule.

THE COMMISSIONER: Let me see.

"Every person who makes or

"assists in making a statement in

"and returns, or causes to be

"returned, any statement or



1 "by or for the purposes of this
2 "Act, knowing it to be untrue,
3 "is guilty of an offence . . ."
4 etcetera.

5 339 would seem to cover it.

6 Q. Have you ever instituted any
7 proceedings by way of prosecuting an applicant
8 or person who misled the Department on the
9 application for the charter?

10 A. No, we have not, my lord.

11 MR. ESTEY: Q. After the company comes
12 into being - I know they are not companies,
13 but by force of habit we say that - after this
14 entity is created and establishes a minute
15 book and posts the charter on the wall, the
16 next act you are interested in is the filing
17 of the annual return for the first complete
18 year of incorporation?

19 A. Hm, hmm.

20 Q. And at one time during your
21 ten year period of your Exhibit 253 the return
22 contained an affidavit on the back?

23 A. Yes.

24 Q. Which has now been changed and
25 the one attached to Exhibit 'F' is the current
26 annual return?

27 A. The current one; that has a
28 certificate.

29 Q. And this only requires a certificate?
30



"by on for the purpose of this

"Yes, it is in the

"The fact is that

...

"The fact is that

Q. Have you ever indicated any

proceedings by way of procuring an affidavit

...

...

A. No, we have not, my Lord.

...

into being - I know they are not companies,

but by force of habit we say that - after this

entry is created and established a minute

book and puts the chapter on the wall, the

next set you are interested in is the thing

of the annual return for the latest complete

year of incorporation?

A. Yes, my Lord.

Q. And at one time during your

ten year period of your witness 223 the return

contained an affidavit on the back

A. Yes.

Q. Which has now been changed and

the one attached to Exhibit 'B' is the current

...

A. The current one; that has a

...

...



1 A. No.

2 Q. But, there is no substantial
3 difference?

4 A. No.

5 Q. By reason of the wording of the
6 Act?

7 A. No. There is a provision in
8 the amendment which provides for the certificate
9 and gives it the force of an affidavit, I may
10 say.

11 THE COMMISSIONER: Q. What section
12 of the Act covers annual returns?

13 A. Section 3, my lord.

14 MR. ESTEY: Section 3 of The Corporations
15 Information Act. It starts at page 171.

16 THE COMMISSIONER: Yes.

17 MR. ESTEY: The actual form used, my lord,
18 is appendix E.

19 THE COMMISSIONER: Where is the appendix?

20 MR. ESTEY: Appendix E to Exhibit 253
21 is the specimen of the return which is actually
22 used.

23 THE COMMISSIONER: Thank you.

24 MR. ESTEY: Q. That carries on until
25 we come into the phase dealing with the
26 cancellation. There is no review of the
27 incorporation itself, other than by reason of
28 the filing of the annual return, between the
29 birth and death of the corporation?
30



Q. Now, there is no amendment

A. Yes.

Q. No.

Q. By reason of the wording of the

A. Yes.

A. No. There is a provision in

the amendment which provides for the certificate

and gives it the force of an affidavit, I may

say.

Q. Now, the

is not any

A. Section 3, my lord.

Q. Now, Section 3 of the Corporation

is not any

Q. Yes.

Q. Now, the actual form used, my lord,

is Appendix E.

Q. Now, the

Q. Now, the

is the specimen of the return which is actually

used.

Q. Now, the

Q. Now, the

we come into the phase dealing with the

consideration. There is no review of the

incorporation itself, other than by reason of

the filing of the annual return, between the

birth and death of the corporation.



1 A. You mean, Mr. Estey, in respect
2 to a social club?

3 Q. Yes.

4 A. That is suspected of illegal
5 gaming?

6 Q. No.

7 A. Oh, I see, in any corporation?

8 Q. In any case.

9 A. No.

10 THE COMMISSIONER: Q. In other words,
11 the charter is issued, and, as far as the
12 Department is concerned, there is no enquiry
13 into the operation of the company, apart from
14 an examination of the annual return?

15 A. The annual return, my lord. And,
16 under the Act there are certain special returns,
17 like a change of head office, which is a
18 special return, and now a change of directors.
19 We do that --

20 Q. Normally?

21 A. Normally, no.

22 Q. There is no enquiry by the
23 Department into the company?

24 A. No.

25 Q. Such as may be permitted by the
26 annual return?

27 A. That is true. That is normally,
28 my lord. The odd time there may be a
29 company or someone who wishes a special return
30



A. You mean, Mr. Hasty, in respect

to a social club?

A. Yes.

A. That is suspected of illegal

activity?

A. No.

A. Oh, I see, in any corporation

or any case.

A. No.

THE COMMISSIONER: Q. In other words,

the chapter is formed, and, as far as the

organization is concerned, there is no change

have the operation of the company, apart from

an examination of the annual returns?

A. The annual returns, my Lord. And,

when the annual returns are submitted, the

company is not at all affected, and there is

special returns, and now a change of directors.

We do that --

A. Normally.

A. Normally, no.

A. There is no enquiry by the

Commissioner into the company?

A. No.

A. When can we be permitted by the

annual returns?

A. That is true. That is normally,

my Lord. The odd time there may be a

company or persons who wish a special return



1 to be made to certain particular information
2 regarding the company's affairs. It may be
3 another Department or it may be some person
4 who has been defrauded, or allegedly defrauded,
5 and we can ask for a special return. But,
6 we are careful we do not use it impulsively
7 but make sure when we ask that the person has
8 a case. When we ask for this special
9 return I ask for the balance sheets and what
10 other information is required.

11
12 MR. ESTEY: Q. I was referring to the
13 normal existence of the company.

14 A. No.

15 Q. Of course, you have special
16 resolutions of moving the head office and
17 changing the structure, and so on; but, in
18 the ordinary case, you do not have any contact
19 except by way of the annual return?

20 A. That is true; the annual return
21 is our greatest contact.

22 Q. Cancellation, I will set aside
23 for the moment. Move back to social clubs
24 and the use of Part III to create them. This
25 is a policy question, Mr. Cudney, but you
26 have been in the Department since 1931, I
27 think.

28 A. '32.

29 Q. '32. And you have been Deputy
30 since 1946. I wonder if you can enlighten us



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to be made to certain particular information
regarding the company's attitude. It may be
another department or it may be some person
who has been entrusted, or allegedly entrusted,
and we can ask for a special return. Now,
we are careful we do not use it inappropriately
and we are sure that we have the right to use it

a case. When we ask for this special
return I ask for the balance sheet and what
other information is required.

MR. BROWN: Q. I was referring to the
annual statement of the company.

A. Yes.

Q. Of course, you have special
resolutions of moving the head office and
changing the structure, and so on, but in
the ordinary case, you do not have any special
resolutions to say to the general assembly

A. That is true; the annual return
is our greatest contact.

Q. Cancellation, I will ask aside
for the moment. Move back to social clubs
and the use of Part III to create them. This
is a policy question, Mr. Gaudney, but you
have been in the Department since 1921, I

A. Yes.

Q. And you have been in the
since 1925. I wonder if you can enlighten us



1 as to why the policy of 1938 to 1946, of
2 incorporating very, very few social clubs,
3 was abandoned or altered and the practice grew
4 up of incorporating more social clubs? What
5 was the reason for the change in policy?

6 A. For 30 years there has always
7 been trouble with social clubs in the
8 Department. Social clubs, I may say, have
9 always been, I should not say, a bugbear to
10 the Department. I mean, they have always been
11 of concern. The volume of work of social
12 clubs is small in actual volume compared to
13 the corporation work and that, again, is
14 much smaller compared to all the other divisions
15 of the Department; but, nonetheless, and I
16 would say this personally, I have always
17 given the social clubs foremost attention
18 because there always has been difficulties
19 with them, and this occurred back in the 1930's.
20 It was decided in 1938 to incorporate --
21 not to incorporate social clubs, with the
22 exception of service clubs and golf clubs
23 and community clubs.

24
25 THE COMMISSIONER: Q. When was that?

26 A. In 1938, my lord, except in --

27 Q. What happened in 1938?

28 A. It was decided not to incorporate
29 social clubs, except in very rare instances,
30 with the exception of service clubs, golf clubs



as to why the policy of 1938 to 1945, or

incorporation policy, was the policy of

the Department of the Interior and the General Land

Office of incorporating more social clubs than

the Department of the Interior in 1938.

A. For 30 years there has always

been a social club in the

Department. Social clubs, I may say, have

always been, I should not say, a bugbear to

the Department. I mean, they have always been

of concern. The volume of work of social

clubs has been a matter of concern to

the corporation work and that, again, is

much smaller compared to all the other divisions

of the Department; but, nonetheless, and I

would say this personally, I have always

given the social club the foremost attention

because there always has been difficulties

with them, and this occurred back in the 1920's.

It was decided in 1938 to incorporate --

not to incorporate social clubs, with the

exception of service clubs and golf clubs

and community clubs.

THE COMMISSIONER: Q. When was that?

A. In 1938, my lord, except in --

Q. What happened in 1938?

A. It was decided not to incorporate

social clubs, except in some cases.

with the exception of service clubs, golf clubs



1 and community clubs - like, community hall
2 associations. In checking back through our
3 files, I think the list is fairly accurate,
4 that policy continued from 1938 to 1946.
5 In checking through the records we have
6 come up -- I find, and I think the list is
7 quite accurate, apart from the service club
8 type I mentioned, we incorporated 24 social
9 clubs in those eight years, an average of
10 3 a year.

11 MR. ESTEY: Q. An average of how many?

12 A. Three a year.

13 THE COMMISSIONER: Just a minute.

14 Q. In the eight years you incorporated
15 how many?

16 A. 24, my lord. I have the list
17 here, my lord.

18 Q. I am not interested in the names.
19 There were 24?

20 A. 24. That is as accurate as we
21 could be in going over -- It looks like 24
22 over those eight years. There seemed to
23 be no rhyme or reason in respect to those 24,
24 some were referred to the police, some were
25 not. I think perhaps the general rule
26 was that if it was seen the applicants
27 appeared to be bona fide the application was
28 not referred and if there was any doubt it
29 was referred to the police. It was not
30



and I think that the records we have
 are fairly good. I think the list is
 quite accurate, apart from the service club
 type I mentioned, we incorporated 24 social
 clubs in those eight years, an average of
 3 a year.

MR. KIRBY: Q. An average of how many?

A. In the eight years you incorporated

A. 24, my lord. I have the list

Q. I am not interested in the names.

There were 24?

A. 24. That is as accurate as we

could be in going over -- It looks like 24

over those eight years. There seemed to

be no rhyme or reason in respect to those 24.

was that it was seen the applicant

appeared to be bona fide the applicant was

not returned and if there was any doubt it

was referred to the police. It was not



1 just an application, they had to submit a
2 list of the members -- proposed members.

3 MR. ESTEY: Q. Not just the applying
4 members but a list of the proposed members?

5 A. Yes. That is in the case where
6 police.
7 they were referred to the ~~case~~. Some were
8 referred and some were not. There did not
9 seem to be any definite policy on that.

10 Q. Why was a change made in 1946
11 to liberalize the use of the charters?

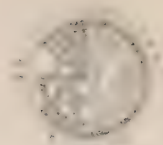
12 A. As I remember, in the years --
13 in the early 1940's there were considerable
14 number of people who wished to incorporate
15 social clubs, from my conversations with them.
16 I think the Deputy, Mr. Johns, for whom I
17 have great respect and who was my Deputy for
18 many years, we thought these people, many
19 of them, seemed to be bona fide and, yet,
20 the general policy was not to incorporate
21 social clubs at all.

22 THE COMMISSIONER: Q. Are you saying
23 in the early 1940's there was sort of a
24 rash of applications?

25 A. Not a rash, my lord, but a
26 number of -- from time to time.

27 Q. There was an increase of
28 applications for social club charters. Is
29 that what you are saying?

30 A. Yes. Or, it may not have been --



just an application, they had to submit a

list of the members -- proposed members.

Q. Not just the applying

members but a list of the proposed members?

A. Yes. That is in the case where

police.

any other case in the city, I am sure

referred and some were not. There did not

seem to be any definite policy on that.

Q. Why was a change made in 1940

to liberalize the use of the character?

A. As I remember, in the years --

in the early 1940's there were considerable

number of people who wished to incorporate

social clubs, I am sure, and I think

I think the Deputy, Mr. Johns, for whom I

have great respect and who was my Deputy for

many years, we thought these people, many

of them, seemed to be bona fide and, yet,

the general policy was not to incorporate

social clubs at all.

THE COMMISSIONER: Q. And you saying

in the early 1940's there was sort of a

rush of applications?

A. Not a rush, my lord, but a

number of -- from time to time.

Q. There was an increase of

applications for social club charters. Is

that what you are saying?

A. Yes. Or, it may not have been --



1 Well, inquiries about. The thought was that
2 there are social clubs and social clubs;
3 some will break the laws and some will not.
4 The great majority, I mean, do not break the
5 law. It was thought, because incorporation
6 did have advantage to a social club, in the
7 sense of real estate and other things, it was
8 thought the general public should not be
9 denied the benefits of incorporation of a
10 social club because 1 per cent of the public
11 who got a charter would break the law. And,
12 the policy was changed in 1946 with a view
13 to screening by the police all social club
14 applications, to screen them and sift out
15 the good from the bad.

17 MR. ESTEY: Q. I am going to go back
18 to that police screening process for the moment.
19 Isn't it a fair summary of the situation to
20 say that the two main, two paramount reasons
21 for incorporating a social club or an
22 athletic club are, firstly, to obtain limited
23 liability for the members and, secondly, to
24 provide continuity of ownership of real estate?

25 A. Real estate and athletic clubs
26 to register international matches, that sort
27 of thing. Often, incorporation is a
28 condition precedent. But, those are the
29 two main ones you mentioned.

30 Q. The social club which has no



Well, industries about. The thought was that
there are social clubs and social clubs;
some will break the law and some will not.
The great majority, I mean, do not break the
law. It was thought, because incorporation
did have advantage to a social club, in the
sense of real estate and other things, it was
thought the general public should not be
denied the benefits of incorporation of a
social club because 1 per cent of the public
who got a charter would break the law. And
the policy was changed in 1923 with a view
to screening by the state all social club
applications, to screen them and take out
the good from the bad.

A. Real estate and athletic clubs
to that police screening process for the moment.
Isn't it a fair summary of the situation to
say that the two main, two paramount reasons
for incorporating a social club or an
athletic club are, firstly, to obtain limited
liability for the members and, secondly, to
provide continuity of ownership of real estate?

A. Real estate and athletic clubs
to register international matches, that sort
of thing. Often, incorporation is a
condition precedent. But, those are the
two main ones you mentioned.

Q. The social club which has no



1 real estate and is not an athletic organization
2 has little reason to incorporate?

3 A. At one time the limited
4 liability -- It is not just limited, it is
5 absolute, there is no liability at all. So,
6 that, too, applies. It applies more to
7 athletic clubs but it could apply to any
8 social club; a community hall where a person
9 can slip on the stairs.

10 Q. I suppose that is covered by
11 the public indemnity insurance on the whole
12 organization?

13 A. I imagine it would. It has been
14 a factor.

15 Q. That is a very small factor in
16 your opinion? The injuries in playing bridge
17 would be small?

18 A. Yes, it would be small.

19 Q. In athletics, I won't debate that
20 at all. The club that has no real estate
21 and has no athletic function has, by and
22 large, very little cause to seek incorporation.
23 Isn't that a fair summary?

24 A. Those are the two main reasons
25 for a bona fide club to seek incorporation.
26 It is a fair summary. As I say, there are
27 other reasons. I wouldn't say it is all
28 the reasons, because there are continuity of
29 bank accounts.
30



real estate and is not an athletic organization

A. At one time the limited

liability -- it is not just limited, it is

absolute, there is no liability at all. No,

that, too, applies. It applies more to

athletic clubs but it could apply to any

sports club; a community hall where a person

Q. I suppose that is covered by

the public indemnity insurance on the whole

A. I imagine it would. It has been

a factor.

Q. That is a very small factor in

your opinion? The injuries in playing bridge

would be small?

A. Yes, it would be small.

Q. In conclusion, I won't debate that

at all. The club that has no real estate

and has no athletic function has, by and

large, very little cause to seek incorporation.

Isn't that a fair summary?

A. There are the two main reasons

for a bona fide club to seek incorporation.

It is a fair summary. As I say, there are

other reasons. I wouldn't say it is all

the reasons, because there are certainly of



1 THE COMMISSIONER: Q. That is one
2 that occurs to me. A group who are interested
3 in the incorporation of a social club as an
4 entity and they develop a policy in connection
5 with their activities, even if only a bridge
6 club, as you suggest. Perhaps if I applied
7 myself to it I could think of a better
8 illustration, but groups that want continuity
9 of existence for those reasons, even though
10 they had no real estate and were not engaged
11 in athletic contests, would be permitted to
12 seek a charter incorporating them rather
13 than an unincorporated association. Is that
14 not so?
15

16 MR. ESTEY: I suppose it is really a
17 matter of argument. My personal opinion would
18 be no, that continuity is not assured by a
19 charter, any more than it is by a voluntary
20 association. As soon as you lose your desire
21 for continuity you lose your charter. The
22 charter itself does not assure continuity.
23 It is like life, uncertain. But, the real
24 estate requirement is a real one because
25 in many areas they cannot hold real estate
26 in a trustee and you cannot get a mortgage
27 through a trustee. Public liability for
28 an athletic association must be a real factor.
29 I would suggest, and I think perhaps Mr.
30 Gudney would agree, admitting there are



THE COMMISSIONER: 2. That is one

that occurs to me. A group who are interested
in the incorporation of a social club as an
entity and who desire to be
with their activities, even if only a bridge
club, as you suggest. Perhaps if I applied
would be a good idea to a group
illuminated, and they have been
of interest in the same way, and
they had no real estate and were not engaged
in artistic pursuits, would be permitted to
have a group of people and
then an unincorporated association. Is that
not so?

MR. HART: I suppose it is really a
matter of argument. My personal opinion would
be no, that constantly is not assured by a
charter, any more than it is by a voluntary
association. As soon as you lose your desire
for continuity you lose your charter. The
charter itself does not assure continuity.
It is the fact, however, that the
estate requirement is a real one because
in many cases they cannot hold real estate
in a trustee and you cannot get a mortgage
through a trustee. Public liability for
an artistic association must be a real factor.
I would suggest, and I think perhaps Mr.
Gibney would agree, admitting there are



1 exceptions to those rules, by and large
2 social clubs who do not have those two
3 drives do not need a charter.

4 A. I wouldn't say that. Those
5 are the two main reasons but there are others.
6 Even the liability. I mean, in an athletic
7 club a stand collapses, there is greater need
8 for liability than there is ⁱⁿ a bridge club.
9 Also, continuity; many corporations are
10 100 years old and the fact they are incorporated
11 gives them more continuity, and many are
12 jealous of that continuity. They should
13 have a new charter but they won't give up
14 the charter because they are 100 years old.
15 Continuity goes back that far.

16
17 Q. In any event, your answer is
18 you do not entirely agree with my proposition?

19 A. Well, I think you stated the
20 two main reasons, Mr. Estey, but there are
21 other reasons I think as well.

22 Q. In the course of handling these
23 clubs, which represent a tiny percentage of
24 your incorporations -- In an ordinary year
25 the Part III social clubs are a very tiny
26 percentage?

27 A. Yes.

28 Q. And that great flood of
29 applications you have to contend with every
30 day contains a very few social clubs?



exceptions to these rules, by and large

social clubs who do not have these two

active in the field of work.

A. I think that is true.

because the main reasons but there are others.

Even the stability. I mean, in an enterprise

with a steady collapse, there is greater need

in

for stability than there is a bridge club.

Also, continuity; many corporations are

100 years old and the fact they are incorporated

gives them a stability, and they are

jealous of that continuity. They should

have a new character but they won't give up

the character because they are 100 years old.

Continuity goes back that far.

B. In the same way, I think that is

you do not entirely agree with my proposition?

A. Well, I don't disagree with you.

two main reasons, Mr. Macy, but there are

other reasons I think as well.

C. In the course of handling these

of the matter, I think it is a very common thing

your incorporation -- In an ordinary year

the first 100 social clubs are a very tiny

percentage.

A. Yes.

B. And that great flood of

applications you have to contend with every

day contains a very few social clubs.



1 A. A very few social clubs.

2 Q. But they are a bugbear, as you
3 put it?

4 A. Yes, that is right.

5 Q. Because they cause trouble and
6 are difficult to administer, as compared to
7 a share capital corporation?

8 A. That is true.

9 Q. In the course of handling these
10 bugbears you have evolved a series of rules
11 that have become more and more complicated as
12 time goes on. One is the reference in the
13 letters patent to Section 168 of the Criminal
14 Code?

15 A. Yes.

16 Q. And that, of course, is aimed
17 at the improper use of the club for gambling?

18 A. Yes.

19 Q. I take it that is one reason;
20 you say these are bugbears, the practice of
21 using these as gambling houses became more
22 and more widespread and, so, the counter effect
23 was to put that in the letters patent?

24 A. Yes.

25 Q. And the regulation concerning
26 the maintenance of headquarters or premises
27 at a specific place, unless otherwise permitted?

28 A. Yes.

29 Q. And you put that in the Act to
30



A. A very few social clubs.
Q. But they are a burden, are you?
A. Yes, they are a burden.
Q. Because they cause trouble and
are difficult to administer, as compared to
a more social club?
A. Yes, they are.
Q. In the course of handling these
burdens you have evolved a series of rules
that have become more and more complicated as
time goes on. One is the reference in the
letters patent to Section 103 of the Criminal
Code?
A. Yes.
Q. And that, of course, is aimed
at the improper use of the club for gambling?
A. Yes.
Q. I take it that is one reason
you say there are burdens, the practice of
using these as gambling houses become more
and more burdensome, is that right?
A. Yes, that is the reason.
Q. And you put that in the letters patent?
A. Yes.
Q. And you put that in the Act to



1 get retroactivity, which you could not get
2 before 1954.

3 A. We started in 1950 with all
4 club charters, to limit them to a particular
5 location, but it did not affect the old
6 clubs. The section of the Act was amended
7 in 1954 to change that and apply it to the
8 old clubs.

9 Q. Did not you put it in the
10 regulation in 1954?

11 A. Yes, the regulation section wasn't
12 wide enough until 1954 to allow us to put it
13 in the regulations.

14 Q. And the new Corporations Act of
15 1953 or 4 allowed you to put that practice
16 into regulation?

17 A. Yes.

18 Q. But the regulation did not
19 establish this retroactively?

20 A. No, it wasn't retroactive.

21 Q. So, in principle, a 1954 charter
22 that did not have a specific premise would not
23 be affected?

24 A. Oh, yes, yes.

25 THE COMMISSIONER: Give me the reference
26 to the 1960 amendment. I have it somewhere
27 in the notes. This is a convenient place for
28 me to put it in.

29 MR. ESTEY: The section in the Act is 291.



Get retrospectively, which you could not get

A. We started in 1950 with all club members, to limit them to a particular location, but it did not affect the old class. The section of the Act was amended in 1954 to change that and apply it to the old class.

Q. Did not you put it in the

wide enough until 1954 to allow us to put it in the regulations.

Q. And the new Corporation Act of 1953 or 4 allowed you to put that practice

A. Yes.

Q. But the regulation did not

A. No, it wasn't retrospective.

that did not have a specific promise would not be affected.

A. Oh, yes, yes.

THE COMMISSIONER: Give me the reference

to the 1900 amendment. I have it somewhere in the notes. This is a convenient place for

MR. WESTBY: The section in the Act is 2(1).



1 I do not have the Statutes of Ontario.

2 THE COMMISSIONER: I can look it up;
3 I can trace it.

4 MR. ESTEY: I will find that for your
5 lordship. The footnote refers to the Revised
6 Statutes.

7 A. There is no confusion, my lord,
8 about the --

9 THE COMMISSIONER: Q. I beg your pardon?

10 A. There is no confusion about the
11 1954? It was put in the regulations in 1954
12 but our practice was to tie social clubs down
13 to particular street addresses from July, 1950,
14 onwards. We couldn't put it in the
15 regulations till 1954 because the regulation
16 section was not wide enough to provide it.

17 MR. ESTEY: Q. That is, the old
18 Companies Act?

19 A. Yes.

20 Q. The regulation section did not
21 have the expanse of The Corporations Act?

22 A. I was counsel to the Committee
23 of the Legislature on the present Corporations
24 Act and I do remember reviewing the whole
25 social club situation to them and telling
26 them what we had been doing for the situation.
27 The suggestion was to continue the practice
28 but put it in the regulations. And, then,
29 we had a regulation section which was wide enough.
30



I do not have the Statute of Ontario.

THE COMMISSIONER: I can look it up.

I can trace it.

MR. BAKER: I will look it up.

forthwith. The footnote refers to the Revised

A. There is no confusion, my lord,

about the --

THE COMMISSIONER: O. I beg your pardon.

A. There is no confusion about the

1924. It was put in the regulations in 1924

but our practice was to tie social clubs down

to particular street addresses from July, 1924,

onwards. We couldn't put it in the

regulations till 1924 because the regulation

section was not wide enough to provide it.

MR. BAKER: O. That is, the old

regulation 1924

A. Yes.

Q. The Commission would like to

have the expense of The Corporation Act?

A. I was counsel to the Committee

of the Legislature on the present Corporation

Act and I do remember reviewing the whole

social club situation to them and telling

them what we had been doing for the situation.

The suggestion was to continue the practice

but put it in the regulations. And, then,

we had a regulation section which was wide enough.



1 Q. When we come to the Section 168
2 limitation in the letters patent, the denial
3 of the defence under Section 168(2)(a)(ii),
4 you could not make that retroactive, you
5 only put it in letters patent from a certain
6 date forward?

7 A. Yes.

8 Q. So all the charters issued
9 prior to the inception of that practice --

10 A. That was 1948, that practice.

11 Q. The pre-1948 letters patent?

12 A. Yes.

13 Q. Would not have that denial?

14 A. No.

15 Q. Of a defence?

16 A. No.

17 Q. I take it, if you could evolve
18 some way to make that retroactive by inclusion
19 in The Corporations Act, that would be a
20 desirable thing?

21 A. Yes.

22 MR. ESTEY: I just have one or two other
23 general questions, Mr. Commissioner, before
24 we get into details here.

25 Q. These corporations without
26 share capital are not subject to the same
27 ease of transfer that we have in share capital
28 companies, I take it, because there is nothing
29 to transfer, you cannot sell a membership?

30 A. Well, no. The membership is



Q. When we come to the section 103
insertion in the Internal Revenue Code,
of the Internal Revenue Code 103(a)(1),
you will find that it says, "and
any person who is a partner in a partnership
shall be treated as a partner in the partnership
for the purpose of this section."

A. Yes.

Q. So all the changes made

prior to the insertion of that phrase --

A. Yes, that phrase was inserted.

Q. The phrase "and any person who is a partner in a partnership"

A. Yes.

Q. And that phrase was inserted

A. Yes.

Q. I take it, if you could evolve

some way to make that retroactive by insertion

in the Corporations Act, that would be a

change in the law.

A. Yes.

MR. HANCOCK: I just have one or two other

general questions, Mr. Commissioner, before

we get into details here.

Q. There is a question in the

share capital are not subject to the same

case of transfer that we have in share capital

companies, I take it, because there is nothing

to transfer, you cannot sell a membership

A. Well, no. The membership is



1 non-transferable. The membership can be
2 made transferable but it seldom is. Usually
3 the membership lapses and it is with the
4 resignation or death of members that is provided
5 in the letters patent. It can be made
6 transferable but I don't think there is one
7 in a hundred that they make a membership
8 transferable.
9

10 Q. The fact is that these charters
11 cannot be transferred around in a legal way?
12 There is no effective way, legally, that they
13 can be passed around and sold, the way a
14 corporation with share capital can be passed
15 around?

16 A. ^{not} No, by the sale of shares. You
17 can -- you have an evolution in any non-share
18 of membership; there will be members coming in
19 and members leaving, a gradual evolution. I
20 think that is what the law contemplates.

21 Q. Yes.

22 A. I don't think it contemplates
23 that the whole membership is cut off at one
24 time and a whole new membership comes in.

25 Q. Obviously, there is no machinery
26 in these corporations, as there was in the
27 recent change in ownership of the Canadian
28 Oil Company, to change ownership?

29 A. Strictly, legally, this was not
30 the intention of the Act, that they could admit



...the membership ...
made transferable but it seldom is. Usually

the membership lapses and it is with the
resignation or death of members that is provided

in the letters patent. It can be made
transferable but I don't think there is one

in a hundred that they make a membership
transferable.

Q. The fact is that these companies
cannot be transferred around in a legal way?

There is no effective way, legally, that they
can be passed around and sold, the way a

corporation with share capital can be passed
around.

A. No, by the sale of shares. You
can -- you have an evolution in any non-share

of membership; there will be members coming in
and members leaving, a gradual evolution. I

think that is what the law contemplates.
Q. Yes.

A. ...
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time and a whole new membership comes in.
Q. Obviously, there is no machinery

in these corporations, as there was in the
recent change in ownership of the Canadian

...
Strictly, legally, this was not

the intention of the Act, that they could make



1 one hundred new members and the one hundred
2 old ones resign. Legally it can be done but
3 it has never been my view that that was the
4 intention of the Act. I think the Act intends
5 there would be a gradual evolution. That
6 is when we try -- when I asked for the books
7 of a company for a number of years, to see if
8 a piece of paper had been bought or if they
9 had at least gone through some mechanics.
10 It was something to hang your hat on if they
11 had bought a piece of paper. It would be
12 the grounds for cancellation of the charter.
13 In other words, the people purporting to be
14 members were not legally members.
15

16 Q. Did you ever cancel a charter
17 for that reason?

18 A. I think there is one back here
19 on trafficking of charters. The reasons
20 given. Actually, the reason in my letter to
21 the club was forfeiture of corporate powers.
22 It is back in 1954. I just forget the details.

23 THE COMMISSIONER: Well, let us not
24 get away from your plan of questioning.

25 MR. ESTEY: No.

26 Q. There is a general summary in
27 Appendix J which does not include any can-
28 cellations for the cause, that I can see, anyway,
29 that I would call trafficking in charters.
30 You say you have in one case included that with



old ones resign. Legally it can be done but
it has never been my view that that was the
intention of the Act. I think the Act intends
there would be a gradual evolution. That
is when we say -- when I asked for the books
of accounts for a number of years, to see if
a piece of paper had been bought or if they
had at least gone through some mechanism.
It was something to hang your hat on if they
had bought a piece of paper. It would be
the grounds for cancellation of the charter.
In other words, the people purporting to be
members were not legally members.

Q. Did you ever cancel a charter
for that reason?

A. I think there is one back here
on trafficking of charters. The reasons
given. Actually, the reason in my letter to
the state was that the members were not

It is back in 1964. I just forgot the details.

THE COMMISSIONER: Well, let us not
get away from your plan of general inquiry.

MR. BARRY: No.

Q. There is a general summary in
Appendix I which does not include any con-
siderations for the cause, that I can see, summary,
that I would call trafficking in charters.
You say you have in one case included that right



1 some other cause?

2 A. I think there is one place in
3 Appendix J which says trafficking in charter
4 was the ground.

5 Q. You see the summary on page 21,
6 Mr. Cudney? It may be included in the words
7 "for cause". Perhaps you could look.

8 A. Yes.

9 Q. Look up this specific case.

10 A. It runs in my mind it is listed
11 here as "Trafficking in charter". Usually
12 the story was -- the answer I always got,
13 the books have been destroyed, and you never
14 get very far with it.

15 Q. You always run into the fire?

16 A. Yes.

17 Q. That is like balancing the books
18 in the army, they always had a good fire.
19 My general question was this, and you have
20 pretty well answered it: The Act does not
21 contemplate dealing in charters, it does not
22 contemplate my assembling two or three charters?

23 A. No.

24 Q. I can assemble any number of
25 corporations of share capital?

26 A. Yes.

27 Q. The Act does contemplate that?

28 A. Yes. The whole ownership of the
29 shares could change overnight.
30



Q. I think there is no place in

Appendix I which says anything in character

Q. You see the summary on page 21,

Mr. Gurney? It may be included in the words

"for same", perhaps you could look.

A. Yes.

Q. Look up this specific case.

A. It runs in my mind at the time

here as "looking in character". Usually

the story was -- the answer I always got,

the books have been destroyed, and you never

get very far with it.

Q. You always run into the thing

A. Yes.

Q. That is like believing the books

in the army, they always had a good time.

My general question was this, and you have

pretty well answered it: The Act does not

contemplate dealing in character, it does not

contemplate my assembling two or three characters?

A. No.

Q. I can assemble any number of

characters of any kind.

A. Yes.

Q. The Act does contemplate that

A. Yes. The whole ownership of the

property must be in the hands of the



1 Q. I could move the headquarters
2 of the corporation without (sic) share capital
3 at will?

4 A. Yes.

5 Q. And that is intended in the Act?

6 A. Yes.

7 THE COMMISSIONER: "without" share
8 capital?

9 MR. ESTEY: With share capital.

10 THE COMMISSIONER: You said "without".

11 MR. ESTEY: I am trying to get the
12 contrast in Part III and the rest of the Act.
13 Generally the contrast is there. If the Act
14 contemplates a Part III company with no
15 shares being owned by the members, so long
16 as they are members?

17 A. That is right.

18 Q. Whereas, the other parts of the
19 Act contemplate a commercial undertaking which
20 can be bought and sold like a house?

21 A. That is true, yes.

22 Q. There is one general topic
23 on cancellation that I would like to deal
24 with in a general way, and leaving any files
25 for the moment. Gambling, I take it, is
26 the main cause of trouble as far as your
27 Department is concerned in connection with
28 Part III corporations?

29 A. Yes, yes; by all means I would
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Q. I could move the headquarters

of the corporation without (sic) share capital

at will?

A. Yes.

Q. And that is intended in the Act?

A. Yes.

THE COMMISSIONER: "I am trying to get the

contrast in Part III and the rest of the Act.

Generally the contrast is there. If the Act

contemplates a Part III company with no

shares being owned by the members, so long

as they are necessary

A. Yes, sir.

Q. Whereas, the other parts of the

Act contemplate a commercial undertaking which

can be bought and sold like a house?

A. That is true, yes.

Q. There is one general topic

on cancellation that I would like to deal

with in a general way, and leaving any lines

for the moment. Gambling, I take it, is

the main cause of trouble as far as your

Department is concerned in connection with

Part III corporations?

A. Yes, yes; by all means I would



1 say so, Mr. Estey.

2 Q. The use of these charters by
3 people with a propensity to gamble is what
4 causes you to label these as bugbears?

5 A. That is true.

6 Q. What is the general policy of
7 the Department when you find out, you might
8 read in the newspaper or the police tell you,
9 that somebody has been charged or convicted
10 of gambling under the Criminal Code. Do
11 you cancel the charter because the person
12 on the premises has been convicted or do you
13 insist on a conviction of the club?

14 A. No, either a conviction of the
15 club or a person convicted on the premises
16 who has an association -- where the person
17 has an association with the club. I mean,
18 in other words, he may be a member or a
19 steward, or there may be a case where he is
20 not either, or an officer, even. In other
21 words, where the evidence indicates the club
22 is tied up with the offence. In other
23 words, they knew what was going on.

24 By the way, my lord, the last time I
25 gave evidence I think I was asked the
26 question on all these convictions of a --
27 and I mentioned one I knew of. I find there
28 are four cases where clubs have been convicted,
29 where the actual club has been convicted, on
30



say so, Mr. Hovey.

Q. The use of these counters by

people with a propensity to gamble is what

causes you to label these as bookies?

A. That is true.

Q. What is the general policy of

the government in this respect?

Q. Read in the newspaper or the police tell you,

that somebody has been charged or convicted

of gambling under the Criminal Code. Do

you cancel the charter because the person

on the premises has been convicted or do you

insist on a conviction of the club?

A. No, either a conviction of the

club or a person convicted on the premises

who has an association -- where the person

has an association with the club, I mean,

in other words, he may be a member on a

stand, or there may be a case where he is

not either, or an officer, even. In other

words, where the evidence indicates the club

is tied up with the offense. In other

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Q. By the way, my lord, the last time I

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question on all these convictions of a --

and I mentioned one I knew of. I find there

are four cases where clubs have been convicted,

where the actual club has been convicted, or



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this list. The other cases are cases where individuals have been convicted.

THE COMMISSIONER: Q. Let me understand: You say either a conviction of the club itself or a conviction of a person for gambling on the club premises, where that person is associated with the club, both would be grounds for cancellation?

A. Yes. If a club itself is convicted that would be the grounds for cancellation; or, if a person is convicted of an offence which occurred on the club premises.

(Page 12575 follows)



this list. The other cases are cases
where individuals have been convicted.

Q. Now, would you say that the

You say either a conviction of the club itself
or a conviction of a person for gambling on
the club premises, where that person is
associated with the club, both would be grounds
for cancellation?

A. Yes. If a club itself is

convicted that would be the grounds for
cancellation; or, if a person is convicted of
an offense which occurred on the club premises.

(None says follow)



C/JNG/1

1 Q. And that person is associated with
2 the club. That is the language you used?

3 A. Yes, they would be.

4 Q. What I was interested -- I don't
5 want to interrupt you-- what I was interested
6 in was the meaning of "associated with the
7 club", just a mere member?

8 A. Yes, a mere member. We have
9 done it in cases where a person is a member
10 or an officer or the steward even.

11 Q. No, no, the steward or officer
12 I am putting in a different classification
13 from the mere member.

14 A. Yes.

15 Q. What do you mean by where a
16 person or persons commits an offence on the
17 premises of the club and that person is,
18 to use your language, "associated with the
19 club"? That in itself would be grounds
20 for cancellation?

21 A. Yes.

22 Q. What do you mean by "associated
23 with"? That is what I am trying to get
24 clarified.

25 A. My lord, they would be a member,
26 an officer, a director, or the steward or,
27 I think, looking back, there may have been
28 cases where people even denied even being
29 members of the club but they were convicted
30



the club. That is the language you used?

A. Yes, they would be.

Q. Now, I am interested in I want to know what the meaning of "associated with the

club" is?

A. Yes, a mere member.

Q. Now, a mere member. He has

done it in cases where a person is a member

or an officer or the steward even.

A. Yes, I am sure.

Q. I am getting in a different classification

from the mere member.

A. Yes.

Q. What do you mean by where a

person or persons commits an offense on the

premises of the club and that person is,

to use your language, "associated with the

club"? That in itself would be grounds

for cancellation?

A. Yes.

Q. What do you mean by "associated

with"? That is what I am trying to get

at.

A. My lord, they would be a member,

an officer, a director, or the steward or,

I think, looking back, there may have been

cases where people even denied even being

members of the club but they were convicted



1 of keeping a common gaming house on the club
2 premises and, no doubt, what was going on was
3 with the knowledge ---

4 Q. I can understand that. The
5 club couldn't close its eyes, so to speak, to
6 what was going on?

7 A. No.

8 Q. Taking the club as an entity, it
9 would know what was going on?

10 A. That the club had knowledge of
11 what was going on and it wasn't just knowledge
12 and being done with the permission of the
13 club -- I mean, sometimes a person may be
14 arrested on a premises and perhaps have no
15 connection with it. Whether it is a club
16 or a departmental store, they know nothing
17 about it because ---

18 Q. Supposing you have a social club
19 and John Doe is a member and it turns out
20 that John Doe is trafficking in narcotics
21 on the club premises. He passes on some
22 heroin or some other narcotic to some one
23 else. There is an offence committed on
24 the premises by a member, but it wouldn't
25 follow that the club would know that he was
26 that type of individual?

27 A. No. In that case we would take
28 a very serious view of it to look into it
29 fully to see if the club did know or had any
30



of keeping a common gaming house on the same
premises and, no doubt, what was going on was
with the knowledge ---

Q. I can understand that. The

club couldn't close its eyes, no to speak, to
what was going on?

A. No.

Q. Taking the club as an entity, is

it possible that the club had knowledge of

A. That the club had knowledge of

what was going on and it wasn't just knowledge

and being done with the permission of the

club -- I mean, sometimes a person may be

arrested on a premises and perhaps have no

connection with it. Whether it is a club

or a premises, it is a premises, and it is

about it, is it?

Q. Supposing you have a social club

and John Doe is a member and it turns out

that John Doe is trafficking in narcotics

on the club premises. He passes on some

heroin or some other narcotic to some one

else. There is an offence committed on

the premises by a member, but it wouldn't

follow that the club would know that he was

that type of individual?

A. No. In that case we would have

a very serious view of it to look into it

fully to see if the club did know or had any



1 possible knowledge of it or they were countenancing
2 it.

3 Q. The mere fact he was a member and
4 did that very illegal act on the premises
5 would not by itself ---

6 A. No, my lord. If the club was
7 countenancing what he was doing or had some
8 idea, I am afraid in a case like that, I
9 wouldn't give too much -- the club would
10 have to prove pretty well that they didn't
11 have any knowledge of it, depending on the
12 surrounding circumstances.

13 MR. ESTEY: Q. There seems to be an
14 element of illogicality in that. If a
15 club that wished to keep its charter would
16 see gamblers were not members, they would
17 have a better chance of keeping the charter?

18 A. Well, we look back, as I said ---

19 THE COMMISSIONER: Q. Excuse me.
20 Wouldn't the lack of logic that at first
21 flush might appear to be there -- if the
22 club premises are being used by people who
23 are not members from day to day to day, it
24 would be an irresistible conclusion that
25 the club would know of it?

26 MR. ESTEY: That is my next question,
27 about the Provincial Secretary's Department.

28 Q. Where there is not enough evidence
29 to charge the club, presuming there isn't, they
30



knowledge of it or they were conversant with

42

The above is now in full view.

did that very illegal act on the premises

1. 3. 2. 1. 0. 1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 83

A. No, my lord. If the ship was

confronting him when he was doing or had done

I, JAMES EARL RAY, do hereby certify that the foregoing is a true and correct copy of the original document.

Wouldn't give too much away - the club would

have to prove pretty well that they didn't

have any knowledge of it, depending on the

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

MR. JAMES: Q. There seems to be an

11. The following information is for your information:

club that wished to keep the character would

have a better chance of keeping the country

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

Warranted the fact of 10,000 men at first

There is no other person named [redacted] who appears to be there - it is

only promises are being used by people who

are not members from day to day. It

would be an treatable condition that

Let us world know also the

DATE: _____

There is no such thing as a free lunch.

to change the ship, procuring there for it, such



1 charge the member or a person associated with it
2 and that person gets off, what do you do then?

3 A. Just if I might answer the first
4 point. You say a point of illogicality.

5 The person doesn't have to be a member. If
6 he was not a member but if the club knew he
7 was there and knew what was going on, this
8 is the element of knowledge, the fact as I
9 said right at the very beginning -- the
10 association is wider than being a member.

11 Q. I take it this policy is the
12 old law of tort. He knew or ought to know.

13 A. That is right, and if the club
14 knew what was going on, the violation of the
15 charter ---

16 Q. Do you cancel when there is an
17 acquittal where there is considerable evidence
18 of gambling activity in the club? Do you
19 cancel the charter then?
20

21 A. When there is considerable
22 evidence without a conviction?

23 Q. Yes.

24 A. We have done it in cases but the
25 general policy was not to cancel unless there
26 was a conviction. That was the policy for
27 many years. Then, as it has developed over
28 the years, we have been cancelling on other
29 grounds such as violation of the charter,
30 forfeiture of power, failure to produce books



change the member of a person associated with it

and that person gets off, what do you do then?

A. That is I might answer the first

point. You say a point of illegality.

The person doesn't have to be a member. If

he was not a member but if the club knew he

was there and knew what was going on, this

is the element of knowledge, the fact as to

whether or not the person was a member.

association is wider than being a member.

Q. I take it this policy is the

old law of force. He knew or ought to know.

A. That is right, and if the club

knew what was going on, participation of the

character --

Q. Do you cancel when there is a

recognition where there is considerable evidence

of gambling activity in the club? Do you

cancel the charter then?

A. When there is considerable

evidence without a conviction?

Q. Yes.

A. We have done it in cases like this

generally policy was not to cancel unless there

was a conviction. That was the policy for

many years. Then, as it has developed over

the years, we have been cancelling on other

grounds such as violation of the charter.

Violations of the charter, which is a



1 in cases where there is strong suspicion of
2 illegal gaming, but the general policy has
3 not been to cancel just on suspicion of
4 illegal gaming alone. Appendix J will show
5 there have been cases where we have cancelled --
6 there are, in fact, a number of them when
7 you come to add them up -- in cases of
8 illegal gaming. Sometimes it has been
9 coupled. Sometimes it has been that alone
10 and other times there may have been multiple
11 causes. One would be suspicion of illegal
12 gaming, another would be violation of
13 charter.

14 THE COMMISSIONER: Well, that is a
15 matter I want to explore and we can do it
16 perhaps most effectively by taking a
17 hypothetical case.

18 A. Yes, sir.

19 Q. And in my hypothetical case,
20 the social club is known as the New Moon Club
21 for lack of a better name.

22 A. I see.

23 Q. And some member or members are
24 charged with gambling in those premises and
25 there is a trial and an acquittal. Has
26 the Department at any time cancelled the
27 charter of such a club?

28 A. Just on suspicion?

29 Q. On the ground alone of it having
30



in cases where there is strong suspicion of

illegal activity, but the general policy has

not been to cancel just on suspicion of

illegal gambling alone. Appendix 3 will show

there have been cases where we have cancelled --

there are, in fact, a number of them when

you come to add them up -- in cases of

illegal gambling. Sometimes it has been

cancelled. Sometimes it has been that alone

and other times there may have been multiple

cases. One would be suspicion of illegal

gambling, another would be violation of

ordinance.

Q. Now, I want to explore and we can do so

perhaps most effectively by taking a

hypothetical case.

A. Yes, sir.

Q. And in my hypothetical case,

the social club is known as the New Moon Club

for lack of a better name.

A. Yes.

Q. And now, let's suppose that the club

started with gambling in those premises and

there is a trial and an indictment. Then

the Department at any time cancelled the

operation of such a club?

A. Yes, sir.

Q. On the ground alone or its having



1 permitted gambling in the club?

2 A. No, no, not to my knowledge.

3 MR. WILSON: Well, he referred to Schedule J
4 or Appendix J, No. 28, the Rendezvous Club. It
5 says merely "Cause for cancellation, evidence
6 of illegal gaming".

7 THE COMMISSIONER: There may have been
8 a conviction.

9 MR. WILSON: No, no, the others are
10 spelled out as convictions.

11 THE COMMISSIONER: Q. I want to get that
12 clear.

13 A. Your question, my lord, is if
14 some one is charged, a member of the club has
15 been charged, say of the New Moon Club, with
16 keeping a common gaming house and the charge
17 is dismissed?

18 Q. Yes.

19 A. Then following that, have we
20 ever cancelled the charter because the club
21 permitted illegal gaming on the premises?

22 Q. On that ground alone?

23 A. Yes -- no, not on that ground
24 alone. We have cancelled where charges
25 have been dismissed. We have cancelled on
26 other grounds.

27 Q. I appreciate that, but I was
28 wondering if in the whole history of chartered
29 social clubs, the Department had ever
30



social clubs, the Department had even

numbering it in the whole history of character

Q. I appreciate that, but I was

have been obtained. We have cancelled on

alone. We have cancelled where changes

A. Yes -- no, not on that ground

Q. On that ground alone?

permitted illegal gaming on the premises?

ever cancelled the charter because the club

A. Then following year, have we

Q. Yes.

is eliminated?

keeping a common gaming house and the change

been changed, say of the New Moon Club, with

some one is charged, a member of the club has

A. Your question, my lord, is it

clear.

THE COMMISSIONER: Q. I want to ask you

testify to the fact that

MR. WILSON: No, no, the others are

a conviction.

THE COMMISSIONER: There may have been

of illegal gaming.

and many cases in connection with

or Appendix 2, No. 26, the Henderson Club. Is

MR. WILSON: Well, he referred to Schedule 2

No, no, not to my knowledge.

permitted gaming in the State

C/S



1 cancelled the charter following an acquittal of
2 members on the footing that the club had
3 permitted gambling operations on the
4 premises?

5 A. They permitted gambling operations.
6 We have cancelled it in no case, as I recall,
7 on the basis of illegal gaming. We have
8 cancelled one. There was the Bathurst-Sheppard
9 where there was a charge and the charge was
10 dismissed but we cancelled that subsequently
11 because they were charging ten cents an
12 hour. They had permitted gambling operations.
13 They had contravened the charter.

14 MR. ESTEY: Q. That is post-1948?

15 A. Yes. That was granted in the '50's.

16 Q. That is for a different cause
17 because that is in the charter.

18 THE COMMISSIONER: I quite appreciate that.
19 Ten minutes recess.

20
21 ---A short recess.

22 ---On resuming:

23
24 MR. ESTEY: Q. We were discussing, Mr.
25 Cudney, the question of cancellation of the
26 charter where there is evidence of gambling
27 but not a conviction. I take it it is a fair
28 summary of what you are telling his lordship
29 that perhaps this case falls into two
30 categories; the first category where the



cancelled the charter following an audit of

members on the footing that the club had

been found to be in arrears

premises?

We have cancelled it in no case, as I recall.

on the basis of arrears.

cancelled one. There was the Barmist-Shepherd

where there was a charge and the charge was

disputed but we cancelled that subsequently

because they were charging ten cents an

hour.

They had overruled the charter.

Mr. KATZ: That is true.

A. Yes. That was granted in the '50's.

Q. That is for a different case.

because that is in the charter.

THE COMMISSIONER: I quite appreciate that.

and please return.

---A short moment.

---a moment.

MR. KATZ: Q. We were discussing, Mr.

Quincy, the question of cancellation of the

charter where there is evidence of gambling

and not a conviction. I take it to be a fair

summary of what you are telling his lordship

that perhaps this case falls into two

categories: one that relates to the



1 club has a provision in the charter under the
2 Criminal Code section. There you cancel
3 because while there was not a conviction,
4 evidence came out that they had gambled
5 and complied with the Code to exceed the
6 limit specified in that section. You cancel
7 then because of a violation of the charter
8 provisions?

9 A. That is correct.

10 Q. That is so indexed in Appendix J,
11 violation of charter provision?

12 A. Yes.

13 Q. Then you have the situation where
14 the charter doesn't have such a provision but
15 there is evidence of gambling but they are
16 acquitted. My narrow question is: What
17 is your policy in that circumstance?

18 A. Where there has been no charge
19 or conviction?

20 Q. There has been a charge heard
21 and found there is evidence that there was
22 gambling but it doesn't violate the charter
23 provision. The man is acquitted because
24 he successfully invoked Section 168 of the
25 Criminal Code.

26 A. And where there is no provision
27 in the -- what we call the ten cent an hour
28 prohibition?

29 Q. Yes.
30



Q. Now, is it possible that the defendant was in the

vicinity of the building at that time?

A. Because while there was not a conviction,

the defendant was not in the vicinity of the building

and complied with the code to exceed the

limits specified in that section. Yet cannot

then because of a violation of the character

provision.

A. That is correct.

Q. That is so indicated in Appendix 1,

Violations in Criminal Code.

A. Yes.

Q. Then you have the situation where

the character doesn't have such a provision but

there is evidence of gambling but they are

acquitted. My narrow question is: What

is your policy in that circumstance?

A. Where there has been no charge

of conviction?

Q. There has been a charge here.

and found there is evidence that there was

gambling but it doesn't violate the character

provision. The man is acquitted because

he essentially invoked Section 103 of the

Criminal Code.

A. And where there is no provision

in the -- what we call the ten cent law

provision.

A. Yes.



1 A. No, in no case do I recall have we
2 ever cancelled a charter where there has been
3 an acquittal on a charge.

4 Q. Before we leave that narrow phase
5 of it, I take it that is an illustration of
6 where these older charters are valuable
7 because they don't have the ten cent an hour
8 clause in them and there is nothing in the
9 Act to make that type of prohibition retro-
10 active?

11 A. Yes, they have that advantage.
12 The reason why we put the ten cent an hour
13 prohibition clause in is that the police
14 informed us the ten cents an hour didn't
15 perhaps mean a great deal in itself -- or
16 not more than fifty cents a day -- but that
17 to counteract or as a defence to charges
18 that a club -- a man would come in and sign
19 "John Smith", fifty cents for the day or for
20 the evening, the police thought that they
21 were getting or the club was getting -- they
22 may get three or four dollars an hour, a
23 great deal more than fifty cents. It was
24 a sort of prima facie case that the club
25 had established that they were keeping
26 within the exemptions of the Criminal Code
27 and it was often difficult to prove they
28 were. I know often in the production of the
29 books, one thing I had tried to establish was
30



Q. Now, in no case do I recall have we
any evidence of a violation of the law
in connection with a charge.
Q. Now, I take it that is an illustration of
where these other charges are valuable
because they don't have the ten cent an hour
charge in them and there is nothing in the
act to make that type of prohibition retro-
active.
A. Yes, they have that advantage.
Q. The reason why we put the ten cent an hour
prohibition charge in is that the police
informed us the contents an hour didn't
perhaps mean a great deal in itself -- or
not more than fifty cents a day -- but that
to constitute or as a defense to charges
that a club -- a man would come in and give
"John Smith", fifty cents for the day or for
the evening, the police thought that they
were getting on the club was getting -- they
may get three or four dollars an hour, a
great deal more than fifty cents.
Q. Now, I take it that the club
and established that they were keeping
within the exemption of the Criminal Code
and it was often difficult to prove they
were. I know often in the production of the
books, one thing I had tried to establish was



1 the finances. I would enquire about what
2 amount of rent they paid, how much the steward
3 was getting, how much they were getting from
4 their restaurant lunch counter, and then if
5 it didn't total up -- how much a month from
6 membership fees. The police said the clubs
7 are claiming they are getting ten cents.
8 They are writing it down. They produce
9 books. We know they are getting much more
10 than that. That was the reason why we put
11 in the prohibition against charging fifty
12 cents an hour.

13 Q. The effect of all that is that
14 the charter that doesn't have the prohibition
15 is more valuable for a person who wishes to
16 gamble on the premises.

17 THE COMMISSIONER: That is obvious.

18 THE WITNESS: Yes.

19 MR. ESTEY: Q. I think before I forget
20 it, I asked you a question about why you
21 didn't prosecute under the various sections.
22 You may want to clarify your position
23 somewhat because your prosecution powers
24 under the Act are over-ridden by the
25 provisions of the Summary Convictions Act.

26 A. Yes. Thank you. My lord, if
27 I might say this in reply to an earlier
28 question this morning as to why the
29 Department had not prosecuted, that matter
30



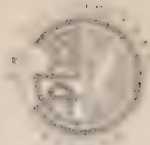
Q. Now, the first question is, how much money was paid for the membership fees? A. The police said the club was obtaining they are paying ten cents. They are waiting it down. They produce that. That was the reason why we put in the prohibition against charging fifty cents or more. The effect of all that is that the character that doesn't have the prohibition is more valuable for a person who wishes to be more valuable. THE COMMISSIONER: That is obvious. THE WITNESS: Yes. MR. BASTY: C. I think before I forget, I asked you a question about why you thought it was a violation of the law. You may want to clarify your position under the Act are over-riden by the provisions of the Primary Government Act. A. Yes, thank you. Q. Now, if I might say this in reply to an earlier question, the Commission is so why the Commission had not proceeded, that is, the



1 was considered and I remember some little while
2 age we did consider prosecution but the
3 prosecution is under the Summary Convictions
4 Act and the prosecution must be within six
5 months of the time the offence occurred, not
6 from the time the offence became known, and
7 in those cases where it is reported that
8 the club was just a gambling club, we were
9 considering prosecution but the offence had
10 taken place more than six months. Also,
11 another reason would be that the person
12 charged with the certificate or affidavit
13 would not be a compellable witness and it
14 is necessary to get another witness to prove
15 that he didn't know. That would be
16 difficult.

17 Q. As I said, I will come back to
18 that on specific situations and perhaps we
19 can test that out.

20
21 (Page 12586 follows)
22
23
24
25
26
27
28
29
30



was considered and I remember some little while
 was on the subject of the prosecution
 prosecution is under the Summary Convictions
 and the summary conviction is by the court
 months of the time the offence occurred, not
 more than six months after the offence,
 in those cases where it is reported that
 the club was just a gambling club, we were
 summarily prosecuted and the club was
 taken place more than six months. Also,
 summary conviction would be given for the offence
 charged with the offence on summary
 would not be a competent witness and it
 is necessary to get another witness to prove
 that he didn't know. That would be

As I said, I will come back to
 that on specific situations and perhaps we
 can test that out.

(page 12500 follows)



D/1/WC

1 Q. There is one last general question
2 along that line I was pursuing a moment ago,
3 Mr. Cudney, that is when you requisition the
4 books of the club, which was under your power
5 to make a special return, I take it from what
6 you said you find some financial records, but
7 I also take it from what you didn't say you
8 don't find income from gambling, you don't
9 find the funds that are mentioned in criminal
10 proceedings being reflected in corporation books?
11

12 A. No, no, we wouldn't, Mr. Estey.
13 The closest I think we have come to that
14 have been the charges for sale of cards.

15 Now, there was one case where a charter
16 was cancelled where charges were being made -
17 there wasn't a charge of 10 cents an hour in
18 the clause, the prohibition clause was in
19 the charter, and they were charging for cards.
20 And evidence was given as to how much a gross
21 of playing cards would cost and how much they
22 were getting. And I think the substance was
23 it amounted to -- that is the closest we come
24 to anything in financial statements.

25 Q. The gambling operations are
26 carried on on kind of a concession basis in
27 the clubs, but not through the club?

28 A. I wouldn't say that, Mr. Estey.
29 Certainly it wasn't in the financial statements
30 as to how much was made.



Q. That is the first financial statement
 also, how long I was gathering a record of
 Mr. Gurney, that is when you registered the
 name of the club, which was about four years
 to make a special record, I think it was then
 you said you find some financial records, etc.
 I also take it from what you didn't say you
 didn't find any other financial records, you didn't
 find the books that you said were in the
 proceedings being reflected in corporation books?

A. No, no, we wouldn't, Mr. Kasey.

The closest I think we have come to that

was when the books were in the club.

Now, there was one case where a number
 was cancelled where charges were being made -
 there wasn't a change of 10 cents an hour in
 the class, the prohibition class was in
 the middle, and they were making the books.
 And evidence was given as to how much a gross
 of playing cards would cost and how much they
 were getting. And I think the business was
 it amounted to -- that is the closest we come
 to anything in financial statements.

Q. The gambling operations are

carried on on kind of a concession basis in

the clubs, but not through the club?

A. I wouldn't say that, Mr. Kasey.

Certainly it wasn't in the financial statements

as to how much was made.



1 Q. There would be no sign of the
2 club carrying on the game?

3 A. No.

4 Q. Now, will you turn to your file,
5 which I think was touched on before, called
6 the Apter Friendly Society.

7 Mr. Commissioner, this is commencing
8 a long, I hope no longer than necessary, review
9 of certain specific files. Some will require
10 more time than others, obviously, and I hope
11 we will evolve some quick and convenient way
12 of going through these. There is a lot of
13 information in the file that we are not
14 interested in.

15 Perhaps, this being the first file,
16 Mr. Gudney -- Have you your file?

17 A. Yes, I do.

18 THE COMMISSIONER: Now, just a moment.
19 What part of the exhibit? It is a big -
20 Where do we find it in this exhibit?

21 MR. ESTEY: Pardon, my lord?

22 MR. WILSON: Page 70 of the brief.

23 THE COMMISSIONER: All right.

24 MR. ESTEY: Q. Mr. Gudney, this being
25 the first example, perhaps we could use this
26 file as an illustration of the generalities
27 we have discussing.
28

29 To begin with, this corporation was
30 incorporated, I take it, in 1960?



Q. There would be no sign of the

child carrying on the game?

A. Yes.

Q. Now, will you go to the next

page and read the last sentence, please.

and the child was

Mr. Commissioner, this is concerning

a fact, I hope no longer than necessary, review

of certain specific files. Some will require

more time than others, obviously, and I hope

we will evolve some quick and convenient way

of going through these. There is a lot of

information in the file that we are not

interested in.

Perhaps, this being the first file,

Mr. Commissioner, would you read that

A. Yes, I do.

Q. Now, will you go to the next

What part of the exhibit? It is a big -

Where do we find it in this exhibit?

MR. WATNEY:ardon, my lord?

MR. WILLSON: Page 70 of the exhibit.

THE COMMISSIONER: All right.

MR. WATNEY: O. Mr. Gudney, this being

the first example, perhaps we could use this

file as an illustration of the generalities

we have discussed.

To begin with, this corporation was

incorporated, I take it, in 1907



1 A. March 28th, 1960.

2 Q. Now, had there been any previous
3 application for the incorporation of this,
4 this club, any unsuccessful application?

5 A. Yes, there was an application filed
6 on December 20th, 1950, Mr. Estey.

7 Q. And that was unsuccessful. Can
8 you tell us why?

9 A. The application was referred
10 to the police. The club premises being in
11 the City of Toronto, the Toronto police said
12 they were definitely opposed to the granting
13 of a charter to any further groups of this kind.
14 And the Provincial Police said that the local
15 police are very much against a club being
16 located in this district. "And having nothing
17 definite I am inclined to believe this will
18 be another gambling outlet in the City of
19 Toronto."

20 And then I see I wrote to the solicitor
21 for the applicants. And also the matter
22 of real estate had come up, whether the club
23 was going to hold real estate. And I advised:

24 " The Departmental ~~prax~~ practice
25 "is to grant incorporation to clubs
26 "and societies only if the reason for
27 "incorporation is to better enable
28 "the club or society to better hold
29 "real estate. I understand that in
30



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Now, had there been any previous

application for the incorporation of this

club, and if so, when?

A. Yes, there was an application made

in January, 1911, for the purpose

Q. And that was unsuccessful. Was

it?

A. The application was returned

to the police. The club premises being in

the City of Toronto, the Toronto police said

that they were definitely opposed to the granting

of a license to the club, and that was the

reason why the Provincial Police said that the local

police are very much against a club being

located in this district. "And having nothing

definite I am inclined to believe this will

be another gambling outlet in the City of

Toronto."

And then I see I wrote to the solicitor

for the applicants. And also the matter

of real estate had come up, whether the club

was going to hold real estate. And I advised:

"The Department must decide

"is to grant incorporation to clubs

"and societies only if the reason for

"incorporation is to hold real

"the club or society to better hold

"real estate. I understand that in



1 "the present instance it is intended
2 "that the Society will purchase
3 "property for a cemetery but will
4 "not purchase property for social
5 "purposes. As I intimated to
6 "you there would be no objection
7 "to granting a charter incorporating
8 "a cemetery association. If at
9 "any future time the Society wishes
10 "to purchase real estate for the
11 "purposes of holding meetings or
12 "gatherings, the granting of a
13 "charter would be favourably
14 "considered."

15 Q. And that application was refused.
16 And then we have the next application in 1959.
17 And then you have in connection with that
18 application a letter from the solicitors who
19 made the application to your Department saying
20 that they understood from a phone call that
21 the Provincial Secretary was now prepared to
22 issue the letters patent. Do you see that
23 letter, Mr. Cudney, the 25th of March, 1960?

24 A. The 25th of March, 1960. Yes.
25 I received a letter of the 25th of March, 1960,
26 from the solicitors for the applicants, written
27 to the Department:

28 " We received your telephone
29 "message regarding above-mentioned
30



"the present instance it is intended

"property for a cemetery but will

"not purchase property for social

"purposes. As I indicated to

"you there would be no objection

"a cemetery association. It is

"to purchase real estate for the

"purpose of holding meetings or

"gatherings, the granting of a

"charter would be favorably

"considered."

Q. And that application was refused.

And then we have the next application in 1922.

And then you have in connection with that

application a letter from the solicitors who

made the application to your Department saying

that they understood from a phone call that

the Provincial Secretary was now prepared to

issue the letters patent. Do you see that

letter, Mr. Gurney, the 25th of March, 1922?

A. The 25th of March, 1922. Yes.

I received a letter of the 25th of March, 1922,

from the solicitors for the applicants, which

to the Department:

"We received your telephone

"message regarding above-mentioned



1 "incorporation. We understand
2 "that the Provincial Secretary
3 "is now prepared to issue letters
4 "patent to our client. We, there-
5 "fore, enclose herewith our cheque
6 "to the order of the Treasurer of
7 "Ontario for \$20 -- "

8 Q. The effect of that is a rejection?

9 A. I beg your pardon?

10 Q. What is the effect of that letter?

11 A. This was the letter of March 25th,
12 1960, from the solicitors for the applicants
13 to the Department:

14 " We received your telephone
15 "message regarding the above-
16 "mentioned incorporation . . ." --

17 Q. That is the one, yes.

18 A. ". . . We understand that
19 "the Provincial Secretary is now
20 "prepared to issue letters patent."

21 Q. Thank you. Can you tell us
22 what the reference is to the Provincial
23 Secretary now being prepared? Had there been
24 a communication that the thing had been refused
25 again on a subsequent instance? What does
26 that mean?

27 A. The application was received,
28 as I have mentioned, in 1959. It was referred
29 to the Metropolitan Toronto Police, and to
30



...the ...
...the ...
...the ...
...the ...
...the ...

"to the order of the Treasurer of

"Ontario for \$200 -- "

Q. The effect of that is a rejection?

A. I beg your pardon?

Q. What is the effect of that letter?

A. This was the letter of March 20th,

1950, from the solicitors for the applicants

to the Government

"We received your telephone

"...the ...

"...the ...

Q. That is the one, yes.

A. " . . . We understand that

"the Provincial Secretary is now

"prepared to issue letters patent."

Q. Thank you. Can you tell us

what the reference is to the Provincial

Secretary now being prepared? Had there been

a communication that the thing had been referred

to the Provincial Secretary?

that mean?

A. The application was received,

as I have mentioned, in 1950. It was referred

to the Metropolitan Toronto Police, and to



1 the Provincial Police. The Provincial Police
2 did not recommend the application. The
3 Toronto police did not recommend the application.
4 And the application was refused.

5 Q. What was the date of that
6 refusal? I think it is the 4th of February,
7 1960, was it not?

8 A. We wrote on February 4th, 1960,
9 to the solicitors, signed T.H. Thomson,
10 solicitor:

11 " Further to my letter of
12 "January 14, 1960, I would now
13 "advise that it is not deemed
14 "advisable to grant incorporation
15 "of a corporation under the above
16 "name.

17 " Accordingly, I am making a
18 "recommendation for a refund of
19 "the \$20. fee paid by you on
20 "December 1, 1959."

21 Q. Subsequent to that the solicitor
22 wrote and said the Provincial Secretary is
23 now prepared to issue. Can you tell us
24 what intervened?

25 A. I am sorry -- the application
26 was refused.

27 THE COMMISSIONER: In February?

28 A. In February, my lord.

29 And then, there is a memorandum dated
30



the Provincial Police, the Provincial Police

did not recommend the application. The

Provincial Police did not recommend the application.

And the application was refused.

Q. What was the date of that

refusal? I think it is the 1st of February,

1960, was it not?

A. We wrote on February 4th, 1960.

to the Solicitor, at 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

Solicitor:

Q. What was the date of that

"January 1st, 1960, I would not

"advise that it is not deemed

"advisable to issue a recommendation

"for a recommendation for a recommendation

"for a recommendation for a recommendation

"for a recommendation for a recommendation

"for a recommendation for a recommendation

"for a recommendation for a recommendation

"for a recommendation for a recommendation

Q. Subsequent to that the Solicitor

wrote and said the Provincial Secretary is

not prepared to issue. Can you tell us

what happened?

A. I am not sure of the date.

the Province.

Q. The recommendation for a recommendation

"in January, 1960.

And then, there is a recommendation dated



1 March 15th, 1960, from myself to my Minister,
2 Dr. Phillips. I referred to our -- I say:

3 " I refer to our conversation
4 "relevant to the above application
5 "for incorporation.

6 " In December, 1959, we received
7 "an application for incorporation
8 "under the above name."

9 Do you wish me to read it, my lord?

10 THE COMMISSIONER: Yes, go on.

11 A. "The Club wished to operate
12 "in the city of Toronto. In
13 "accordance with our practice we
14 "referred the application to the
15 "Metropolitan Toronto Police and to
16 "the Ontario Provincial Police.
17 "Each submitted a report objecting
18 "to the incorporation of the Club.
19 "Copies of these reports are attached.
20 "It appears from these reports that
21 "the Club is frequented by well known
22 "gamblers. In accordance with our
23 "practice when there is police
24 "objection, we decided not to grant
25 "incorporation. And the solicitors
26 "for the applicant were so advised."

27 MR. ESTEY: Q. That is March 15th?

28 A. March 15th, 1960.

29 Q. Any reply to that memorandum?
30



March 1950, 1950, from myself to Mr. Minister,

Dr. Phillips, I referred to our -- I say:

"I refer to our conversation"

"relevant to the above application"

"the investigation."

"In December, 1949, we received"

"an application for incorporation"

"from the [illegible] Club."

"Do you wish me to read it, my Lord?"

"THE COMMISSIONER: Yes, go on."

"The Club is located in [illegible]"

"in the city of Toronto. It"

"is [illegible] with our practice we"

"referred the application to the"

"Metropolitan Toronto Police and to"

"the [illegible] [illegible] Police."

"They submitted a report objecting"

"to the incorporation of the Club."

"The [illegible] [illegible] [illegible]"

"It appears from these reports that"

"the Club is frequented by well known"

"[illegible]. In accordance with our"

"practice when there is police"

"objection, we decided not to grant"

"incorporation. And the police [illegible]"

"for the applicant were so advised."

"[illegible] [illegible] [illegible]"

"A. March 1950, 1950."

"[illegible] [illegible] [illegible]"



1 A. There is a reply.

2 THE COMMISSIONER: Excuse me. What led
3 to you giving that memorandum, the application
4 had been refused in February? Chronologically
5 the next written record is a memorandum
6 prepared to Mr. Phillips?

7 A. Yes. Apparently Dr. Phillips
8 had spoken to me about it, because I said,
9 "I refer to our conversation relative to
10 the above", the matter had been closed. He
11 had apparently spoken to me about it and I
12 gave him this report on it.

13 MR. ESTEY: Q. Then, what happened
14 next, is there a reply to that memorandum,
15 Mr. Cudney?

16 A. There is a memoranda dated
17 March 22nd, 1960, from Dr. Phillips, addressed
18 to myself:

19 "Re: Apter Friendly Society Incorporated.

20 " Mr. Al Grossman, M.P.P., is
21 "very anxious for this organization
22 "to get a charter which he wishes
23 "to present himself at the first
24 "banquet he attends. Would you
25 "kindly see that this goes through.

26 " I feel that we should adhere
27 "more closely to the legislation
28 "and that is that there must be a
29 "conviction. I feel that we should
30



A. There is a reply.

had spoken to me about it, because I said, "I refer to our conversation relative to the above", the matter had been closed. He had apparently spoken to me about it and I gave him this report on it.

A. There is a memorandum dated

"Mr. Al Grossman, M.P.F., is very anxious for this organization to get a charter which he wishes to present himself at the time he desires he attends. Would you I feel that we should make someone more closely to the legislation and that is that there must be a conviction. I feel that we should



1 "stick closer and closer to our
2 "legislation which states there
3 "must be a conviction before we
4 "cancel a charter."

5 THE COMMISSIONER: Before you cancel it.
6 This wasn't a case of cancellation, it is
7 a case of granting it?

8 A. Yes, it was a case of granting
9 it.

10 MR. ESTEY: Q. Do you know what
11 legislation is referred to in that memorandum?

12 A. No, I don't, Mr. Estey.

13 Q. Then, I think your file has a
14 letter from Mr. Grossman to the Provincial
15 Secretary, has it not?

16 A. Yes.

17 Q. A letter dated 24th of March, 1960?

18 A. Dated 24 March, 1960, a letter
19 from Mr. Grossman to Dr. Phillips.

20 Q. And that letter, without taking
21 the trouble to read it all, contains in conclusion
22 a paragraph recommending the issuance. Would
23 you mind reading that paragraph?

24 A. The last paragraph?

25 Q. I think it is the last.

26 A. "I strongly recommend the
27 "granting of this incorporation.

28 "Also I would appreciate the opportunity
29 "to present the letters patent personally,
30



"state closer and closer to our
 "legislation which saves these
 "must be a conviction before we
 "cancel a charter."

This wasn't a case of cancellation, it is
 a case of granting it?

MR. WATKINS: Q. Do you know what
 legislation is referred to in that memorandum?

A. Yes, I think your file has a
 letter from Mr. Crossman to the Provincial

A. Yes.

Q. A letter dated 24th of March, 1930?

A. Dated 24 March, 1930, a letter

from Mr. Crossman to Dr. Phillips.

the trouble to read it all, contains in conclusion
 a paragraph recommending the issuance. Would
 you mind reading that paragraph?

A. The last paragraph?

Q. I think it is the last.

"granting of this incorporation.

"Also I would appreciate the opportunity
 "to present the letters patent personally."



1 "if you deem it in order."

2 The previous paragraph assures that
3 there is no gambling permitted on the premises.

4 THE COMMISSIONER: Well, why limit it
5 to the last paragraph. Is it a long letter?

6 A. Not too long.

7 THE COMMISSIONER: Read it all.

8 A. "In re: Apter Friendly Society
9 Incorporated.

10 " In regard to the application
11 "of the above for an incorporation,
12 "I advise that I am well acquainted
13 "with many of its members and the
14 "organization itself. It is a Society
15 "of long standing and its purposes
16 "are as outlined in the application.

17 " Actually, the reason why
18 "they want incorporation at this time
19 "is because they have gotten into some
20 "legal difficulty due to having certain
21 "property in the hands of individual
22 "members as trustees. They are now
23 "anxious to incorporate so that all
24 "assets of the organization shall be
25 "held in the proper fashion^{so} as to
26 "obviate the possibility of further
27 "difficulty due to deaths of trustees,
28 "etc., etc. I can assure you that
29 "there is no gambling permitted on
30



"If you deem it in order."

The previous paragraph assumes that there is no gambling permitted on the premises.

THE COMMISSIONER: Well, why limit it to the last paragraph. Is it a long letter?

A. Yes, it is.

THE COMMISSIONER: How is it?

A. "In re: Apoor Friendly Society

Incorporated.

"In regard to the application

"of the above for an incorporation,

"I advise that I am well acquainted

"with many of its members and the

"character of its work. It is a society

"of long standing and its purposes

"are as outlined in the application.

"Actually, the reason why

"they want incorporation at this time

"is because they have gotten into some

"legal difficulty due to having certain

"property in the hands of individuals

"who are not incorporated. The reason

"anxious to incorporate so that all

"assets of the organization shall be

"held in the name of the corporation.

"Obviate the possibility of further

"difficulty due to death of trustees,

"etc., etc. I can assure you that

"there is no gambling permitted on



1 "the premises of this organization.

2 "As a matter of fact, they have
3 "their own building on Beverley
4 "Street, including a chapel which
5 "is used quite regularly by the
6 "members.

7 "I strongly recommend the
8 "granting of this incorporation.

9 "Also, I would appreciate the
10 "opportunity to present the letters
11 "patent personally, if you deem
12 "that is in order.

13 "Yours sincerely,

14 " (signed) Alan Grossman, M.P.P."

15
16 MR. ESTEY: Q. And chronologically
17 the next thing you received in that file was
18 a letter or memorandum from Chief Mackey of
19 the Metropolitan Toronto Police, of April 4,
20 1960.

21 A. A letter dated April 4. Do
22 you wish me to read?

23 THE COMMISSIONER: Yes.

24 A. April 4th, 1960. A letter from
25 Chief Mackey to me:

26 "Re: Apter Friendly Inc.

27 " Dear Mr. Cudney:

28 " Recently an application

29 "for incorporation was made by the

30 "above named society. A request was



"The question of this corporation."

"As a matter of fact, they have

"street, including a chapel which

"is used quite regularly by the

"granting of this incorporation.

"Also, I would appreciate the

"opportunity to present the letters

"present personally, if you deem

" (signed) Alan Grossman, N.Y.C."

the next thing you received in that file was

a letter or memorandum from Chief Henney of

the Metropolitan Toronto Police, of April 4,

1950.

A. A letter dated April 4, 1950

you wish me to read?

A. April 4th, 1950. A letter from

Chief Henney to me:

"Dear Mr. Grossman:

"Recently an application

"for incorporation was made by the

"above named society. A request was



1 "made by your office for a report
2 "from this department. And such
3 "report was prepared and forwarded
4 "(copy enclosed).

5 " Subsequently under date of
6 "February 4th, 1960, a letter was
7 "received from Mr. Thomson of your
8 "office indicating that the
9 "application for incorporation had
10 "been refused.

11 " On March 28th, 1960, a further
12 "communication was received from
13 "Mr. Thomson advising that the
14 "application had been reconsidered
15 "and that letters patent had now been
16 "granted. I am at a loss to under-
17 "stand why the original decision
18 "in this case has been reversed and
19 "I am taking the opportunity of
20 "writing you to ascertain the
21 "reason for this change of policy.

22 " I would also inform you that
23 "word is circulating through the
24 "various large gambling clubs that
25 "in view of the recent cancellations
26 "of charters of some clubs, pressure
27 "would be brought to bear on members
28 "of the Provincial Legislature to
29 "prevent any more cancellations. While
30



"I am taking the opportunity of
writing you to ascertain the
reason for this change of policy.
I would also inform you that
word is circulating through the
"in view of the recent cancellations
of charters of some clubs, procedure
would be brought to bear on members
of the Provincial Legislature to
prevent any more cancellations, while
"granted. I am at a loss to under-
stand that letters patent had not been
applied for had been reconsidered
"Mr. Thomson advising that the
communication was received from
on March 28th, 1900, a further
"office indicating that the
received from Mr. Thomson on 28th
February 1900, a letter was
subsequently under date of
(continued).



1 "it is impossible to have any one

2 "named I would respectfully ask

3 "you give this matter your con-

4 "sideration."

5 And I see I telephoned Chief Mackey
6 on that. There is a note on the letter that
7 I telephoned.

8 MR. ESTEY: Q. What, if anything, did
9 the Department do about that memorandum from
10 the Chief of Police?

11 A. Well, it was a letter objecting
12 to the application. Permission had been
13 given to issue the charter.

14 The balance of the memorandum, I might
15 say, just looking it over here, that he
16 mentioned pressure being brought on the
17 Members of the Legislature to prevent cancellation
18 of charters. I mean, that wasn't - This
19 was in April, 1960, cancellations were proceeding.
20 We cancelled a number, as a matter of fact,
21 that winter following January, 1960. We
22 cancelled a great many.

23 THE COMMISSIONER: That is not Mr.
24 Estey's point. His question, the letter from
25 Mr. Grossman to Dr. Phillips was March 24th,
26 1960 advocating the granting of the charter
27 for the reasons that he has stated. Now,
28 then, when was the charter granted?

29 A. The charter was dated, my lord,
30



"It is impossible to have any one

... I would ...

... this ...

...

And I see I telephoned Chief Mackay

on that. There is a note on the letter that

I telephoned.

MR. NORTON: Q. What, if anything, did

...

...

A. Well, it was a letter objecting

...

given to issue the charter.

The balance of the memorandum, I might

say, just looking it over here, that he

mentioned pressure being brought on the

Members of the Legislature to prevent cancellation

of charters. I mean, that wasn't - This

was in April, 1930, cancellations were proceeding.

We cancelled a number, as a matter of fact,

that winter following January, 1930. We

cancelled a great many.

THE COMMISSIONER: That is not Mr.

Wetzel's point. His question, the letter from

Mr. Grossman to Mr. Phillips was dated March,

1930 advocating the granting of the charter

for the persons that he has named. Now,

...

A. The charter was dated, my lord,



1 March 28, 1960, and forwarded -- it was on
2 March 3rd, March 31st, I am sorry.

3 Q. The charter was actually forwarded?

4 A. I am sorry, it was called for.
5 There was no covering letter.

6 Q. It was delivered?

7 A. Yes, it was delivered.

8 Q. On what date?

9 A. March 31st, 1960.

10 Q. So, as of the date you received
11 the letter from Chief Mackey, the charter had
12 already been issued?

13 A. It had already been given.
14 There is a note here, my lord, I telephoned
15 Chief Mackey. I apparently telephoned him
16 in connection with it.

17 Q. Mr. Estey's question was,
18 following Chief Mackey's letter of April 4th,
19 1960, what, if anything, was done in connection
20 with this particular charter? Is that what
21 you were asking?

22 MR. ESTEY: Yes.

23 THE WITNESS: Nothing.

24 MR. ESTEY: Q. Nothing?

25 A. Nothing.

26 Q. Earlier in the file I think
27 you received, without going into the detail,
28 unless you wish, a report from the Provincial
29 Police to Mr. Thomson. I take it he is a
30



Q. Now, the letter, was it delivered to the person?

A. Yes, it was delivered to the person.

Q. The person was actually forwarded.

A. I am sorry, it was called for.

There was no covering letter.

Q. It was delivered?

A. Yes, it was delivered.

Q. In what way?

A. By the post.

Q. So, as of the date you received

the letter from that person, the person was

already sent to the person?

A. It had already been given.

There is a note here, my lord, I telephoned

that person, I telephoned and he said

in connection with it.

Q. Now, the person was

following that person's letter of April 1900,

1900, what, if anything, was done in connection

with this person's letter? Is that what

you were asking?

A. Yes, my lord.

Q. Now, the person was

sent to the person.

A. Nothing.

Q. Now, in the file I think

you have, I think you have

other people, I think you have

people to Mr. Thompson, I think he is a



1 solicitor in your department?

2 A. Yes.

3 Q. That letter, dated 21st January,
4 1960, it was to the same general effect as
5 the City of Toronto report, wasn't it?

6 THE COMMISSIONER: Well, will this
7 suffice, on January 21st, 1960, the O.P.P.
8 recommended against the charter?

9 MR. ESTEY: Yes.

10 THE WITNESS: It is a fairly long report,
11 my lord, but they end up by saying, "I don't
12 recommend this application."

13 THE COMMISSIONER: Read it.

14 A. "With reference ---"

15 MR. WILSON: We have already had it.
16 We had both these.

17 THE COMMISSIONER: It escapes my memory
18 for the moment.

19 THE WITNESS: It is a report, my lord,
20 from the Provincial Police dated January 17th,
21 1960, and it is signed by Provincial Constable
22 Moore:

23 " 1. With reference to the
24 "above noted and further to memo
25 "from Deputy Commissioner James
26 "Bartlett dated December 21st, 1959,
27 "and attached copy of a letter from
28 "Thomas H. Thomson, solicitor for
29 "the Deputy Provincial Secretary,
30



Witness is not present

A. You.

Q. The letter, dated 1900,

1900, it was to the same general effect as

the City of Toronto report, wasn't it?

THE COMMISSIONER: Well, with this

letter, on January 1st, 1900, the City

recommended against the same.

MR. WILSON: Yes.

THE WITNESS: It is a fairly long report,

my Lord, but they end up by saying, "I don't

recommend this application."

THE COMMISSIONER: Read it.

A. "With reference to--"

MR. WILSON: We have already had it.

We had both these.

THE COMMISSIONER: It is signed by me.

For the moment.

THE WITNESS: It is a report, my Lord.

THE COMMISSIONER: That is all right, my Lord.

1900, and it is signed by Provincial Constable

1900.

A. With reference to the

"above noted and further to name

the City of Toronto, 1900.

"Partially dated December 21st, 1900,

"and attached copy of a letter from

James A. Wilson, dated 1900.

and signed by Provincial Constable.



1 "with your minute thereon to
2 "the Toronto detachment dated
3 "December 22, 1959, the
4 "following is for your information.

5 "2. On checking with our
6 "G.H.Q. file and with Metropolitan
7 "Toronto Police criminal and non-
8 "criminal records, no file was found
9 "on any of the applicants listed.

10 "3. The president of this club
11 "is Mr. Harry Morton Goodman, 246
12 "Brook Avenue, Toronto, Ontario.

13 "On interviewing this man at his
14 "home, I was advised that this society
15 "is only for persons from a small
16 "town in Poland or their direct
17 "descendants now in Canada. . . . "

18 THE COMMISSIONER: I remember that letter.

19 THE WITNESS: ". . . now in Canada,
20 "and that they hoped to form a charity
21 "division within the society for the
22 "benefit of the members and their
23 "families as the treasury now holds
24 "about \$5,000. Also they presently
25 "have a cemetery owned by two members
26 "of the club, and if granted a charter
27 "this ground will become the property
28 "of the society. Mr. D. Otton,
29 "Mayor of Newmarket where Mr. Goodman
30



22

"On interviewing this man at his home, I was advised that this society is only for persons from a small town in Poland or their direct descendants now in Canada. . . ."

"The members: . . . now in Canada, and that they hoped to form a society."

"benefit of the members and their families as the treasury now holds about \$2,000. Also they presently have a cemetery owned by two members of the club, and it granted a charter this ground will become the property of the society. Mr. D. O'Brien,



1 "has a business, was contacted
2 "and advised me that while he is
3 "a friend of Goodman's he would
4 "say that Goodman is an honest
5 "person and that it would be a
6 "great surprise to him if the
7 "club ever had any trouble in a
8 "gambling manner, as he did not
9 "know of Goodman being that type
10 "of person. Mr. Otton is a lawyer.
11 "I should add that I was advised
12 "by Goodman himself that they did
13 "have a member whose name was Ike
14 "Rush, 131 Clifton Avenue, Downsview,
15 "aged about 40, with a criminal
16 "record, and when they learned this
17 "of Rush he was expelled from the
18 "society and not allowed to return.
19 "The vice-president of this club is
20 "Mr. Max Glatt, 239 Markham Street,
21 "Toronto. He advised me that he
22 "has been a member since 1945 and
23 "has lived at his present address
24 "since 1953. On checking with those
25 "in his area I received a good report
26 "regarding his character and general
27 "reputation.
28 "The financial secretary of
29 "this club is Mr. Isadore William
30



"has a business, was contacted
"and advised me that while he is
"a friend of Goodman's he would
"say that Goodman is an honest
"person and that it would be a
"great surprise to him if the
"one ever had any trouble in a
"gambling manner, as he did not
"know of Goodman being that type
"of person. Mr. Otton is a lawyer.
"I should add that I was advised
"by Goodman himself that they did
"have a good record in the
"past, but that they were not
"aged about 40, with a criminal
"record, and were very honest and
"of whom he was expelled from the
"society and not allowed to return.
"The vice-president of this club is
"Mr. Max Glatz, 239 Main Street,
"Toronto. He advised me that he
"has been a member since 1945 and
"has lived at his present address
"since 1945. He was a very good
"in his area I received a good report
"regarding his character and general
"reputation.
"The financial secretary of
"the club is Mr. John Miller



1 "Cowitz, 1687 Bathurst Street,
2 "Toronto. On visiting him I
3 "was advised the same as what
4 "Goodman told me, and that they
5 "hoped to form a charity division
6 "and have a cemetery under the name
7 "of the charter. On checking
8 "in his area I received good reports
9 "also.
10
11 "6. The treasurer is Mr. Sam
12 "Slateman, 509 Bedford Park Road,
13 "Toronto. He advised me that they
14 "would like to be a legal organization
15 "and form a section to help sick
16 "and disabled members with the money
17 "now in the treasury, and that all
18 "members are or have descended from
19 "members of a small town called
20 "Apter in Poland. On checking with
21 "the Department of Health I find
22 "that complaints have been received
23 "from the area of 216 Beverley Street,
24 "Toronto, where the society have club
25 "property. I contacted the
26 "Independent Mutual Benefit Association,
27 "214 Beverley Street, re the club,
28 "and was advised that twice in 1959
29 "and twice in 1958 they complained
30 "of flies around the garbage left by



1 "the Apter Society as they
2 "frequently have dinners for
3 "members and are careless in
4 "disposing of waste. The Fire
5 "Department recommended that two
6 "exits be changed, but otherwise
7 "had no objection. On my inspection
8 "of the premises I found there are
9 "three storeys to the building
10 "and only one fire extinguisher.
11 "The Building and Development
12 "Department of the City of Toronto
13 "have no objection to the granting
14 "of the charter.
15 "8. On further investigation I learned
16 "that this club applied for an
17 "incorporation in 1951 and were
18 "turned down. For my part I
19 "cannot see why this charter should
20 "be granted at this time. I see
21 "no reason why their objects cannot
22 "be attained with or without a
23 "charter, having in mind the objects
24 "listed by Mr. Thomas H. Thomson,
25 "solicitor for the Apter Friendly
26 "Society. I do not recommend this
27 "application."

28
29 THE COMMISSIONER: Well, Mr. Moore,
30 saw no objection to the charter?



"exists be changed, but otherwise
 "had no objection. On my inspection
 "of the premises I found there are
 "three stores to the building
 "and only one entrance.
 "The building was owned by
 "Department of the City of Toronto.
 "have no objection to the granting
 "of the charter.
 "8. On further investigation I learned
 "that this club applied for an
 "incorporation in 1951 and were
 "turned down. For my part I
 "cannot see why this charter should
 "be granted at this time. I see
 "no reason why their objects cannot
 "be attained with or without a
 "charter, having in mind the objects
 "listed by Mr. Thomas H. Thomson,
 "Society. I do not recommend this
 "application."
 "objection to the charter



1 A. No.

2 Q. He gave no reasons?

3 A. No.

4 Q. For not recommending it?

5 A. No.

6 Q. Other than that they could do
7 without it?

8 A. Other than that they could do
9 without it, yes.

10 MR. ESTEY: Q. Now, finally on that
11 file you have a memorandum in 1961. I believe
12 is entitled "A memorandum for the record".
13 Can you find that, Mr. Cudney? January 4th.

14 A. Yes, I can. Would you like
15 me to read this?

16 Q. It is not very long, I don't
17 think, is it?

18 A. It is three pages.

19 THE COMMISSIONER: Oh, well, just a moment.

20 MR. WILSON: January 4th of what year?

21 MR. ESTEY: 1961 .

22 THE COMMISSIONER: It is what?

23 MR. ESTEY: It is a memorandum for the
24 record. It is apparently written by the
25 witness.

26 MR. WILSON: It is just a rehash of
27 the history?

28 THE WITNESS: Just a summary of the
29 history, yes.
30



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A. No.

Q. He gave no reason?

A. Yes.

Q. You not recommending it?

A. Yes.

Q. Other than that they could do

without it?

A. Yes, that's what I believe.

without it, yes.

MR. KESTER: Q. Now, finally on that

file you have a memorandum in 1951. I believe

is entitled "A memorandum for the record".

Can you find that, Mr. Gaudin? January 4th.

A. Yes, I can. Would you like

me to read this?

Q. It is not very long, I don't

think, is it?

A. It is three pages.

THE COMMISSIONER: Oh, well, just a moment.

MR. WILSON: January 4th of what year?

MR. KESTER: 1951.

THE COMMISSIONER: Is it what?

MR. KESTER: It is a memorandum for the

record. It is apparently written by the

witness.

MR. WILSON: It is just a review of

the situation.

THE COMMISSIONER: Is it a review of the

situation?



1 THE COMMISSIONER: If that is all it is,
2 what does it add?

3 MR. ESTEY: Nothing, if that is what it
4 is. My notes indicate that the first portion
5 of it deals with the Metropolitan Toronto Police
6 report
7 of February 1st, 1960. And that is, I take
8 it, a report you have already read, or a
9 different one?

10 A. The report I read was the
11 Provincial Police.

12 Q. But prior to the Metro report
13 you read, is that the one you referred to in
14 your memorandum?

15 A. I haven't read the Metropolitan
16 report on this club.

17 Q. Have you a Metropolitan Police
18 report dated the 1st of February, 1960?

19 MR. WILSON: Mr. Commissioner, the
20 letter we just had read was read when Mr.
21 Cudney was in the box, 9640. And the one
22 they are now proposing to read is also verbatim
23 in the evidence.

24 THE COMMISSIONER: At what page?

25 MR. WILSON: At page 9644. If I am
26 right, the one is dated February 1st, 1960.

27 THE WITNESS: February 1st, 1960, that
28 is the Metro report.

29 MR. ESTEY: That is page ?

30 MR. WILSON: Page 9644, the evidence of



THE COMMISSIONER: It was in all 19 12,

was in all 19 12,

MR. WILSON: Nothing, it was in all 19 12

is. My notes indicate that the first portion

of it deals with the Metropolitan Toronto Police

A of February 1st, 1950. And that is, I take

it, a report you have already read, on a

different one?

A. The report I read was the

Metropolitan Police.

Q. But prior to the Metro report

you read, is that the one you referred to in

your statement?

A. I haven't read the Metro report

report on this day.

Q. Have you a Metropolitan Police

report dated the 1st of February, 1950?

MR. WILSON: Mr. Commissioner, the

letter we just had read was read when Mr.

Gudney was in the box, Q-40. And the one

they are now proposing to read is also verbatim

in the evidence.

THE COMMISSIONER: At what page?

MR. WILSON: At page 9244. It is on

right, the one is dated February 1st, 1950.

THE WITNESS: February 1st, 1950, that

is the Metro report.

MR. WILSON: That is page?

MR. WILSON: Page 9244, the evidence of



D/4

1 Mr. Cudney, that is Volume 47.

2 MR. ESTEY: Q. I take it, Mr. Cudney,
3 in order to avoid reading that three-page
4 memorandum, it is a memorandum written by you
5 that summarizes the file?

6 A. Yes, summarizes the file. It
7 is a work sheet.

8 Q. Is there any reason for the writing
9 of the memorandum, why does it appear?

10 A. Well, this was in the preparation
11 of the brief. There were a number of work
12 sheets prepared summarizing the files. And
13 this three-page memorandum, there were a
14 number of memoranda written in preparation for
15 the Commission.

16 Q. This was written on January 11th,
17 1961.

18 A. Oh. I think, Mr. Estey, that
19 date is wrong. This is similar to a number
20 of work sheets that have been prepared in
21 January and February of this year. I think
22 that that date is obviously ---

23 Q. It is a memorandum appearing on
24 the top of the file?

25 A. It appears on top of the file,
26 yes.

27 Q. You think it is mis-dated?

28 A. I think it is misdated, Mr. Estey,
29 because these were a number of sheets that were
30



W. G. Gurney, that is Volume IV.

Q. Yes, I think so, I think so.

In order to avoid reading that through
memorandum, it is a memorandum written by you
that summarizes the file?

A. Yes, I think so, I think so.

Is a work sheet.

Q. Is there any reason for the writing?

of the memorandum, why does it appear?

A. Well, this was in the preparation

of the brief. There were a number of work

sheets prepared in connection with the

preparation of the brief, I think so.

number of memoranda written in preparation for

the Commission.

Q. This was written on January 15th,

1951.

A. Oh, I think, Mr. Gurney, that

date is wrong. This is similar to a number

of work sheets that have been prepared in

January and February of this year. I think

that that date is obviously ---

Q. It is a memorandum appearing on

the top of the file?

A. It appears on top of the file.

Yes.

Q. You think it is mis-dated?

A. I think it is mis-dated, Mr. Gurney.

because there were a number of sheets that were



1 prepared, work sheets, in preparation for the
2 Commission. Not '61, I think it should be
3 '62. That was about the time that these memos
4 were being prepared.

5 Q. I see.

6 A. It appears on top, it is a
7 three-page memorandum.

8 Q. That is satisfactory to me. You
9 read a number of memoranda which you did
10 entitle, "Memoranda for the Record".

11 A. At that time, at the beginning
12 of this year.

13 Q. That is what is meant by "for
14 the Record"?

15 A. Yes.

16 Q. Let us move on to a file I think
17 was put before you for the Club Macedonia.
18 There are two files for each of these clubs,
19 Mr. Gudney, one which you call a 'C' file and
20 one called an 'O' file?

21 A. Yes.

22 Q. The 'C' file is the public record
23 and the 'O' file is the record only available
24 to the Department?

25 A. That is right. It has confidential
26 information. The 'C' file is available to
27 the public.

28 THE COMMISSIONER: Where do I find a
29 reference to that in the brief?
30



prepared, work sheets, in preparation for the
 Commission. Not '61, I think it should be
 '61. That was about the time that these memos
 were being prepared.

A. It appears on top, it is a

Q. That is satisfactory to me. You
 need a number of memoranda which you did
 entitled, "Memoranda for the Record".

A. At that time, at the beginning.

Q. That is what is meant by "for

Q. Let us move on to a file I think

was put before you for the Club Memoranda.

There are two files for each of these clubs,

Mr. Gurney, one which you call a 'C' file and

one called an 'O' file?

A. Yes.

Q. The 'O' file is the public record

and the 'C' file is the record only available

to the Commission?

A. That is right. It has confidential

information. The 'C' file is available to

the public.

THE COMMISSIONER: Where do I find a

reference to that in the policy?



1 MR. ESTEY: I don't think that is referred
2 to, Mr. Commissioner.

3 Q. Now, the date of incorporation,
4 Mr. Cudney, of the Club Macedonia, January,
5 1957.

6 MR. WILSON: Appendix H, page 5.

7 MR. ESTEY: I see the reference to the
8 'C' file, the Club is in the brief. Yes.

9 THE WITNESS: The date of incorporation
10 is January 29th, 1957.

11 MR. ESTEY: Q. Do you have any reference
12 on your file, a police reference in that case?

13 A. Yes, there is, Mr. Estey. The
14 application was received ---

15 Q. January the 11th, was it not?

16 A. January the 14th, 1957. One
17 of the solicitors of the Department, Mr. McNeill.

18 THE COMMISSIONER: What is the name?

19 A. McNeill.

20 Q. McNeill?

21 A. Yes. He was a solicitor at the
22 time, my lord. He was processing the application.
23 And he wrote to the solicitor for the applicants
24 requiring ages and business addresses of
25 the applicants before -- in order to process
26 them with the police. That information was
27 required.

28 And the letter in reply was received
29 giving that information - or part of that
30



giving that information - or part of that

And the letter in reply was received

them with the police. That information was

the applicants before -- in order to process

negotiating again and business addresses of

And he wrote to the solicitor for the applicants

time, my lord. He was processing the application.

A.

Yes. He was a solicitor at the

G.

Memorandum?

A.

Memorandum.

THE COMMISSIONER: What is the name?

of the solicitors of the Department, Mr. McNally.

A.

January the first, 1957. One

G.

January the first, was it not?

application was received ---

A.

Yes, there is, Mr. Eady. The

on your file, a police reference in that case?

MR. EADY: G.

No you have any reference

is January 29th, 1957.

THE WITNESS: The date of incorporation

is file, the date is in the brief. Yes.

MR. EADY: I see the reference to the

MR. WILSON: Appendix H, page 5.

1957.

Mr. Gurney, of the Club Medsanta, January,

G. Now, the date of incorporation,

Mr. McNally.

Mr. McNally, I want to ask you a question.



1 information was received from the solicitor.

2 Then there was a letter -- a letter was
3 received from the solicitor -- at least, I
4 received a letter from the solicitor dated
5 January 29th, 1957, advising that this charter
6 was replacing two charters that had been
7 cancelled, the Garnet Social Club Limited
8 and Macedonian Amusement Company Limited. And
9 the charters were cancelled on the basis of
10 a conviction. And then the conviction was
11 later quashed.

12 MR. ESTEY: Q. Perhaps you would read
13 that letter.

14 A. This is a letter from Mr. D.J.
15 Walker, to myself, dated January 29th, 1957:

16 "Dear Mr. Cudney:

17 " Re: Club Macedonia

18 " I beg to confirm that this

19 "club is the successor to Garnet

20 "Social Club Limited and/or Macedonian

21 "Amusement Company Limited. Both

22 "the above clubs had their charters

23 "cancelled when their was a conviction

24 "registered and the charters were not

25 "restored when the conviction was

26 "quashed in the Court of Appeal.

27 "The matter was taken up by Mr. Roland

28 "Michener, M.P., the former Provincial

29 "Secretary and myself with the Honourable
30



information was received from the solicitor.

Then there was a letter -- a letter was

received from the solicitor -- Mr. [Name],

received a letter from the solicitor dated

January 29th, 1937, advising that this charter

was replacing two charters that had been

cancelled, and that the new charter

and Macedonian Amusement Company Limited. And

the charters were cancelled on the basis of

a conviction. And then the conviction was

quashed.

Q. Perhaps you would read

that letter.

A. This is a letter from Mr. B.L.

Walker, to myself, dated January 29th, 1937:

"Dear Mr. [Name]:

"I am writing to you in connection with

I beg to confirm that this

"club is the successor to Garret

"[Name] of [Name] and [Name] and [Name]

"[Name] and [Name] and [Name] and [Name]

"the above clubs had their charters

"cancelled when their was a conviction

"registered and the charters were not

"renewed when the conviction was

"quashed in the Court of Appeal.

"The matter was taken up by Mr. [Name]

"[Name], M.P., the former Provincial

"Secretary and myself with the Honorable



1 "George Dunbar, nearly a year ago.

2 "At which time he informed us that

3 "if an application could be made

4 "again by Mr. Steve Nicholson the

5 "charter would be granted. Hence

6 "the application of Club Macedonia,

7 "Toronto."

8
9 Q. This was in fact not referred to
10 the police, Mr. Cudney?

11 A. No. I have a memorandum on the
12 file here, the date is February 1st, 1957:

13 " Re: Club Macedonia, Toronto

14 " Some time ago there was a

15 "conviction for keeping a common gaming

16 "house on the premises of the

17 "Macedonian Amusement Company Limited.

18 "We were notified by the police of

19 "the conviction and the charter was

20 "cancelled accordingly. Subsequently

21 "the conviction was appealed and on

22 "the appeal the conviction was quashed.

23 "Representations were then made to

24 "the Honourable Mr. Dunbar for grant

25 "of new charter to the persons

26 "interested. As the charter had

27 "been wrongly cancelled Mr. Dunbar

28 "agreed and directed that this

29 "charter be issued in regard to the

30 "Club Macedonia, Toronto, without



At which time he informed us that

"if an application could be made

"to the Board of Directors, they

"would be able to grant it."

"We were notified by the police of

"the conviction and the charter was

"cancelled accordingly. Subsequently

"the conviction was appealed and on

"the appeal the conviction was reversed

"and the charter was restored to the

"company. At the date in February 1907,

"the date in February 1907, I have a memorandum on the

"subject of the charter, which is as follows:

"Some time ago there was a

"charter for the purpose of building a

"house on the premises of the

"company. The charter was granted by the

"Board of Directors, and the police of

"the city notified by the police of

"the conviction and the charter was

"cancelled accordingly. Subsequently

"the conviction was appealed and on

"the appeal the conviction was reversed

"and the charter was restored to the

"company. At the date in February 1907,

"the date in February 1907, I have a memorandum on the

"subject of the charter, which is as follows:

"Some time ago there was a

"charter for the purpose of building a

"house on the premises of the



1 "reference."

2 Q. It was then issued without
3 reference by the Provincial Secretary, Mr. Dunbar?

4 A. Yes.

5 Q. Did you write that memorandum?

6 A. Yes.

7 Q. Dated?

8 A. February 1st, 1957.

9 Q. And was it directed to anybody
10 or is that for the file?

11 A. Just for the file.

12 Q. I take it there was no copy of
13 direction from the Provincial Secretary?

14 A. No.

15 Q. Therefore, it was oral and you
16 put it in the file?

17 A. Yes.

18 Q. I suppose that is borne out in
19 your earlier testimony on page 1044, where you
20 stated that the Macedonia Club as one that
21 was issued without reference to the police?

22 A. Yes.

23 Q. Then, this file illustrates from
24 here forward another possible development under
25 The Corporations Act. I think there is an
26 application to move the premises of the club
27 in 1959; that is correct, is it not?

28 A. Yes, there was an application ---

29 THE COMMISSIONER: Wait a minute, I am
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reference by the Provincial Secretary, Mr. Bennett.

A. Yes.

Q. And you write that memorandum?

A. Yes.

Q. And was it directed to anybody on its time for the files?

A. I take it there was no copy of it.

Q. Therefore, it was only and you put it in the files?

A. Yes.

Q. I would say on page 1044, where you stated that the Macedonia Club as one that was named without reference to the policy.

A. Yes.

Q. Then, this file illustrated from the Corporation Act. I think there is an application to move the premises of the club in 1959; that is correct, is it not?

A. Yes.

THE COMMISSIONER: Well a minute, I am



1 not sure I grasp the whole history of this.
2 The original Macedonian Amusement Company
3 Limited had been convicted. Yes.

4 MR. ESTEY: Yes, that is correct.

5 MR. WILSON: No, that is not correct.

6 THE COMMISSIONER: Mr. Wilson is suggesting
7 it is not correct.

8 MR. WILSON: I just want to make sure it
9 was two individuals rather than the club.

10 THE COMMISSIONER: The file discloses
11 there was a conviction for keeping a common
12 gaming house against the company known as the
13 Macedonian Amusement Company Limited. And
14 after being notified of the conviction by
15 the police the letters patent of the company
16 were cancelled.

17 And then chronologically the next
18 event was an appeal from the conviction.
19 And on appeal the conviction was quashed.

20 Then an application was made to the
21 Department to grant a new charter to the persons
22 interested.

23 And when was that charter granted?

24 THE WITNESS: That was granted, my lord,
25 in ---

26 THE COMMISSIONER: January 7th, 1957.

27 Am I right?

28 A. Yes - January 29th, 1957.

29 Q. Without further application?

30



not have I group the whole history of this.

The official history of the company is as follows:

limited and was established in 1901.

MR. WILSON: Yes, that is correct.

MR. WILSON: Yes, that is the history.

THE COMMISSIONER: Mr. Wilson is suggesting

it is not correct.

MR. WILSON: I just want to make sure

that the history of the company is as follows:

THE COMMISSIONER: The little disclosure

there was a conviction for keeping a common

gaming house against the company known as the

company known as the company known as the

after being notified of the conviction by

the police the letters patent of the company

were cancelled.

And then canonically the next

event was an appeal from the conviction.

And on appeal the conviction was quashed.

Then an application was made to the

Department to grant a new charter to the persons

interested.

And then the new charter was granted.

THE COMMISSIONER: That was the history of the

in ---

THE COMMISSIONER: That was the history of the

Am I right?

MR. WILSON: Yes, that is the history.

THE COMMISSIONER: That was the history of the



1 A. Without further reference. We
2 had started to refer it, and then the matter
3 came to our attention.

4 THE COMMISSIONER: Now, Mr. Estey is
5 up to the point in the history of the club
6 where an application was made for supplemental
7 letters patent to change the location from
8 Danforth Avenue to Queen Street.

9 MR. ESTEY: That is right, sir, 1959.

10 THE COMMISSIONER: I have it now.

11 THE WITNESS: An application was filed.

12 MR. WILSON: Before we leave it. The
13 reason I raised the point, on the file of
14 the Macedonian Amusement Company, which I take
15 it is one of the predecessors of this club,
16 the conviction was in October against Daniel
17 Kostoff and Steve Nicholson.

18 MR. ESTEY: I think Mr. Gudney also
19 read a letter from David J. Walker, which says
20 the conviction was registered against the
21 Macedonian Amusement Company Limited.

22 THE COMMISSIONER: Well, it doesn't make
23 much difference.

24 MR. ESTEY: No.

25 Q. Then, this application came in
26 to move the headquarter,s, the premises of the
27 club. Can you tell us briefly with reference
28 to your records what you did with that application
29 in 1959?
30



had started to refer it, and then the matter came to my attention.

THE COMMISSIONER: Now, Mr. May is

up to the point in the history of the club when an application was made for supplemental letters patent to change the location from North Avenue to Queen Street.

THE COMMISSIONER: I have it now.

THE COMMISSIONER: The application was filed in 1909.

reason I raised the point, on the file of the Macdonald Amusement Company, which I take it is one of the predecessors of this club, the conviction was in October against Knickerbocker and Steve Nicholson.

THE COMMISSIONER: I think I have it. I read a letter from David J. Walker, which says the conviction was registered against the

THE COMMISSIONER: Well, it doesn't mean

MR. MAY: No.

Q. Then, this application came in

to move the headquarters, the premises of the club. Can you tell us briefly with reference

to your records what you did with that application



1 A. The application to change
2 the club premises was referred by the Department
3 to the Metropolitan Toronto Police and to
4 the Provincial Police.

5 Q. I think you will find a police
6 report of 5th November, 1959.

7 THE COMMISSIONER: The 3rd, isn't it?

8 MR. ESTEY: The covering letter is the
9 5th.

10 THE WITNESS: The 5th of November, 1959,
11 yes. Well, I ---

12 THE COMMISSIONER: All right, let's hear
13 it.

14 THE WITNESS: A letter from Deputy Chief
15 Lee, addressed to myself:

16 " In reply to your letter of
17 "August 13th regarding the above
18 "mentioned application, I now enclose
19 "copy of report submitted by
20 "Inspector E.R. Walker, officer in
21 "charge of our morality bureau,
22 "under date of November 3rd, 1959.

23 " I agree with the Inspector's
24 "report and strongly recommend that
25 "this application be refused.

26 " Yours sincerely,"

27 Then there is the report from Inspector
28 Walker addressed to James P. Mackey, Chief of
29 Police:
30



A. The application to change

the club premises was referred by the Department
to the Metropolitan Toronto Police and to
the Provincial Police.

C. I think you will find a police

report of 28th November, 1959.

THE COMMISSIONER: The 28th, isn't it?

MR. ROBERT: The covering letter in the

Feb.

THE WITNESS: The 28th of November, 1959.

Yes. Well, I --

THE COMMISSIONER: All right, let's have

10.

THE WITNESS: A letter from Deputy Chief

Lee, addressed to myself:

"In reply to your letter of

"August 1959 regarding the above

"mentioned application, I now enclose

"copy of report submitted by

"Inspector R. J. C. C. C.

"change of our monthly dinner,

"under date of November 28th, 1959.

"I agree with the Inspector's

"report and strongly recommend that

"this application be refused.

"Yours sincerely,

Then there is the report from Inspector

which states that the above

Witness:



1 "Dear Sir:

2 " Re: Club Macedonia.

3 " With reference to the letter
4 "from Mr.R.J. Cudney, Deputy Provincial
5 "Secretary, dated August 13, 1959,

6 "regarding the application of the

7 "Club Macedonia to locate at 418

8 "Queen Street East, No.4 Division,

9 "I respectfully report as follows:

10 " The above mentioned club was

11 "incorporated on January 29, 1957,

12 "at which time the activities were

13 "limited to 425 Danforth Avenue, no

14 "club premises being established.

15 " On January 31, 1950, application

16 "was made for the incorporation of

17 "the Macedonian Amusement Company by

18 "Steve Nicholson and two other persons

19 "at 364 Queen Street East. This

20 "application was investigated and a

21 "report submitted through the Chief

22 "of Police to the Deputy Provincial

23 "Secretary opposing the incorporation.

24 "The charter was subsequently granted.

25 " On October 13, 1950, as a

26 "result ~~was~~ of complaints received

27 "of illegal gambling activities at

28 "364 Queen Street East (Macedonian

29 "Amusement Company), officers of the
30



"Amusement Company", officers of the
"of illegal gambling activities as
"result run of complaints received
"On October 13, 1950, as a
"The charter was subsequently granted.
"Secretary opposing the incorporation.
"of Police to the Deputy Provost
"report submitted through the Chief
"application was investigated and a
"at the time of the investigation.
"Steve Nicholson and two other persons
"the Macedonian Amusement Company by
"was made for the incorporation of
"On January 11, 1951, the
"of the business was completed.
"limited to 425 Randolph Avenue, no
"at which time the activities were
"incorporated on January 29, 1951.
"The above mentioned club was
"I respectfully report as follows:
"Macedonian Club, 425 Randolph Avenue,
"regarding the application of the
"Macedonian Club, 425 Randolph Avenue,
"Club Macedonian to locate at 425
"regarding the application of the
"With reference to the letter
"Re: Club Macedonian.



1 "morality bureau conducted the
2 "necessary investigations on the
3 "club premises which resulted as
4 "follows: - Steven Nicholson,
5 "president, and Daniel Kostoff,
6 "club secretary, arrested and jointly
7 "charged with keeping a common
8 "gaming house.

9 "
10 " 35 other persons were charged
11 "'being found in'.

12 " On October 26th, 1950 Nicholson
13 "and Kostoff were convicted as charged
14 "and each fined \$100 and costs or
15 "one month's imprisonment. The
16 "persons charged being 'found in'
17 "were also convicted and each fined
18 "10 or 10 days imprisonment.

19 "
20 "During the above investigation.
21 "Nicholson produced a charter in
22 "the name of the Garnet Bridge and
23 "Social Club, and stated that he
24 "intended forming another club.

25 "
26 "As a result of the convictions
27 "registered a report was submitted
28 "through the Chief of Police to the
29 "Deputy Provincial Secretary
30 "recommending cancellation of the
"Macedonian Amusement Company and
"Garnet Social Club charters. And



"Garnet Social Club charter. And

"recommending cancellation of the

"Deputy Provincial Secretary

"through the Chief of Police to the

"registered a report was submitted

"As a result of the conclusions

"

"Social Club, and stated that he

"the name of the Garnet Bridge and

"

"

"10 or 10 days imprisonment.

"were also convicted and each fined

"persons charged being 'found in'

"one month's imprisonment. The

"and each fined \$100 and costs on

"and each fined \$100 and costs on

"On October 28th, 1950 Nicholson

"being found in."

"

"

"

"club secretary, arrested and jointly

"president, and Daniel Kostoff,

"follows: - Steven Nicholson,

"

"

"necessary investigations on the

"



1 "this was effected on December 14,
2 "1950.

3 "
4 The above conviction was later
5 "quashed by the Court of Appeal which
6 "brought about the formation of the
7 "Club Macedonia. This Department
8 "was not requested to investigate
9 "the application for this incorporation.

10 "
11 On December 11, 1950, officers
12 "from the morality bureau conducted
13 "an investigation at No. 364 Queen
14 "Street East regarding illegal gambling
15 "activities and as a result arrested
16 "Daniel Kostoff and John George, on
17 keeping a
18 "a joint charge of a common gaming house.

19 "
20 16 other persons were arrested
21 "as 'found in'.

22 "
23 On January 25, 1951, Kostoff
24 "was convicted as charged in Magistrate's
25 "Court and fined \$100 or 30 days'
26 "imprisonment. The charge against
27 "George was withdrawn at the request
28 "of the Crown Attorney. The 16
29 "persons charged with 'found in' were
30 "each convicted and fined \$10 or
"10 days' imprisonment.

" On November 22nd, 1942 officers
"from the morality bureau conducted
"an investigation at No. 418 Queen Street



"this was effected on December 14,

"The above conviction was later

"quashed by the Court of Appeal which

"brought about the formation of the

"this company, the company

"was not requested to investigate

"the application for this incorporation,

"On December 11, 1940, the

"from the Ministry of Justice

"for information to the effect that

"these facts regarding illegal practice

"relatives and as a result thereof

"Daniel Kestoff and John George, on

hearing a

"joint letter of Daniel Kestoff and

"in which they were reported

"as 'found in'.

"On January 11, 1941, the

"was convicted as charged in Magistrate's

"Court and fined \$100 or 30 days'

"imprisonment. The same day

"George was withdrawn at the request

"of the Crown Attorney. The 10

"persons charged with 'found in' were

"each convicted and fined \$10 or

"10 days' imprisonment.

"On November 22nd, 1942 officers

"from the morality bureau contacted

"an investigation at No. 418 Green Street



1 "East, a restaurant (the proposed
2 "location of the Club Macedonia)
3 "regarding illegal gambling activities.

4 "And as a result arrested Daniel

5 "Kostoff, Nick Pappas, and two

6 "other persons on a joint charge

7 "of keeping a common gaming house.

8 "Pappas pleaded guilty to the charge

9 "and was fined ^{\$50} ~~\$2~~ and costs or

10 "30 days' imprisonment. The

11 "remaining charges were withdrawn

12 "at the request of the Crown Attorney.

13 " It is apparent from the fore-

14 "going that Steve Nicholson and Daniel

15 "Kostoff were actively engaged in

16 "illegal gambling activities at 364

17 "Queen Street East and 418 Queen

18 "Street East. In addition a con-

19 "viction was registered for record

20 "or register bets at 418 Queen Street

21 "East on July 27th, 1945.

22 " Officers from the morality

23 "bureau have interviewed the following

24 "applicants for the club in question,

25 "William Kriss, Pressman, 'Globe &

26 "Mail' president, Audly Fennel,

27 "chartered accountant, vice-president;

28 "Mrs. Josephine Flewman, chartered

29 "accountant, secretary-treasurer.



"... (the ...)

"Location of the Club Nevada)

"... Nevada ...

"... Nevada ...

"... Nevada ...

"other persons on a joint charge

"of keeping a common gaming house.

"Pappas pleaded guilty to the charge

"and was fined \$500 and costs on

"30 days' imprisonment. The

"remaining charges were withdrawn

"at the request of the Crown Attorney.

"It is apparent from the fore-

"going that Steve Nicholson and Daniel

"Hossett were actively engaged in

"... Nevada ...

"Green Street East and 418 Green

"Street East. In addition a con-

"siderable number of ...

"on register data at 418 Green Street

"... Nevada ...

"... Nevada ...

"... Nevada ...

"bureau have interviewed the following

"applicants for the club in question.

"William Kline, Treasurer, Globe &

"Mail, President, Andy Knecht,

"... Nevada ...

"... Nevada ...

"... Nevada ...



1 " William Kriss and Audly
2 "Fennel have never been affiliated
3 "with this or any other club and
4 "are unable to explain anything
5 "concerning this operation. Both
6 "these men state that they have known
7 "Steve Nicholson and Steven Stavro,
8 "the promoters of the club, for some
9 "time and are satisfied that they
10 "are sincere in their intent to promote
11 "football, soccer and other types
12 "of sports for the welfare of the
13 "Macedonian community.

14 " Mrs. Flewman states that Mr.
15 "David Walker, M.P.P., assisted in
16 "the set-up of the club and their
17 "obtaining the charter which has been
18 "dormant at 425 Danforth Avenue, it
19 "being the mailing address for the
20 "club. While she intends to look
21 "after the books of the club and
22 "assist in the management if required
23 "she is satisfied that Steve Nicholson
24 "is capable of conducting and
25 "managing the club, which will be a
26 "great assist to the Macedonian youth
27 "in the community.

28 " The club building is owned by
29 "Maurice Zajac, c/o mfx Continental
30



...William ...
"Kenny have never been ...
...
...
...
...
"the promoters of the club, for some
time and are satisfied that they
are sincere in their intent to promote
"football, soccer and other types
of sports for the welfare of the
...
"Mrs. Plesman states that Mr.
"David Walker, M.P., assisted in
the set-up of the club and their
...
"dominant at 425 Madison Avenue, is
...
"club. While she intends to look
after the books of the club and
assist in the management if required
she is satisfied that Steve Nicholas
is capable of conducting and
managing the club, which will be a
great asset to the Macedonian youth
...
The club ... is owned by



1 "Hotel, Monte Carlo, Monaco,
2 "and the lease for the club is
3 "for ten years at \$225 per month,
4 "payable to Industrial Wares
5 Toronto-
6 "Limited, c/o Dominion Bank,
7 "Richmond and York Streets."

8 THE COMMISSIONER: Are you pretty well
9 nearly through with the Club Macedonia?

10 MR. ESTEY: Yes.

11 THE COMMISSIONER: Finish up and we
12 will adjourn for lunch.

13 MR. ESTEY: Q. That report of the police
14 was previous to the granting of supplemental
15 letters patent. Is there another report?

16 A. There is a report from the
17 Provincial Police.

18 Q. Is that for or against?

19 THE COMMISSIONER: Favourable.

20 THE WITNESS: It is favourable, a
21 favourable report. "I see no reason to
22 oppose the granting of the supplemental
23 letters patent".

24 MR. ESTEY: Q. When the Department
25 received the report from the Toronto Police
26 Force, which revealed that Kriss and Fennel,
27 who were shown in the annual return of 1959,
28 as being directors -- I think that is correct?

29 A. Yes.

30 Q. Kriss and Fennel shown as directors



"What, then, is the result?"

"The result is that the report is correct."

"The report is correct?"

"The report is correct."

"The report is correct."

"The report is correct."

THE COMMISSIONER: Are you pretty well

acrossed with the report?

MR. KELLY: Yes.

THE COMMISSIONER: Finish up and we

will adjourn for lunch.

MR. KELLY: O. That report of the police

was previous to the granting of supplemental

letters patent. Is there another report?

A. There is a report from the

investigative committee.

Q. Is that for or against?

MR. KELLY: For.

THE WITNESS: It is favorable, a

favorable report. "I see no reason to

oppose the granting of the supplemental

letters patent."

MR. KELLY: Q. When the Board of

received the report from the Federal Police

force, which revealed that Kutas and Bennett,

who were shown in the annual return of 1934,

as being directors -- I think that is correct?

A. Yes.

Q. Kutas and Bennett shown as directors



1 in the annual return of 1959, received
2 August 13, 1959.

3 A. Kriss and Fennel, yes.

4 Q. The Inspector says in the report
5 that William Kriss and Audly Fennel have not
6 been affiliated with this club or any other,
7 and are unable to explain its operation.
8 What action did the Department take on that?

9 A. There doesn't seem to be any
10 action, Mr. Estey.

11 Q. Would that not be grounds for
12 cancelling the charter?

13 THE COMMISSIONER: When was the return
14 filed? What date?

15 MR. ESTEY: Dated August 13th, 1959.
16 I think that is the date of the return itself,
17 is it not, Mr. Cudney?

18 A. The report itself is dated
19 March 31st.

20 Q. That is the effective date. The
21 certificate on the back, has that got a
22 date?

23 A. The certificate was taken
24 August 10th, 1959.

25 Q. August 10th?

26 A. August 10th, 1959.

27 Q. And received by the Department?

28 A. Received by the Department on
29 August 13th, 1959.
30



in the annual return of 1959, received

August 13, 1959.

A. [illegible]

Q. [illegible]

that William Kline and Andy Tennel have not

been affiliated with this club or any other,

and are simply in contact with [illegible]

and under the [illegible] [illegible]

A. There doesn't seem to be any

action, Mr. [illegible]

Q. Would that not be grounds for

cancelling the charter?

THE COMMISSIONER: When was the return

[illegible]

MR. KUTNER: - Dated August 13th, 1959.

I think that is the date of the return itself,

is it not, Mr. Gadeney?

A. The report itself is dated

[illegible]

Q. That is the effective date. The

certificates on the back, has that got a

date?

A. The certificates are to [illegible]

August 10th, 1959.

[illegible]

A. August 10th, 1959.

Q. And received by the Department?

A. Received by the Department on

August 13th, 1959.



1 Q. All right.

2 THE COMMISSIONER: And who signed the
3 certificate?

4 A. It is signed, my lord, by
5 William Kriss.

6 THE COMMISSIONER: How do you spell
7 that?

8 A. K-r-i-s-s.

9 Q. Am I understanding correctly,
10 x he signed a certificate that the particulars
11 in the return were correct?

12 A. The certificate, my lord, he says --
13 yes, certifying -- I will read the certificate,

14 "I, William Kriss, President -- "

15 Q. Don't read it. That is the
16 substance?

17 A. Yes, the substance, certified
18 to be correct.

19 Q. Then, in the report from the Metro
20 Police they say that they interviewed Kriss
21 and Fennel and these two men said they were
22 not affiliated with the club and knew nothing
23 of its operation?

24 A. Yes.

25 Q. If that was a fact, how could
26 Kriss sign the certificate?

27 A. No, that is true. He takes
28 the certificate here -- he certifies that he
29 is the president, my lord, and the facts are
30



Q. All right.

THE COMMISSIONER: And who signed the

certificate?

A. It is signed, my lord, by

William Kline.

THE COMMISSIONER: How do you spell

name?

A. K-T-A-S-E.

Q. Is that the name of the

man who signed the certificate that the petitioner

in the case of the

A. The certificate, my lord, he says --

yes, certifying -- I will read the certificate,

William Kline, President --

Q. Don't read it. What is the

substance?

A. Yes, the substance, certified

to be correct.

Q. Then, in the report from the Negro

Police they say that they interviewed Kline

and Kennel and these two men said they were

not affiliated with the club and knew nothing

of the operation?

A. Yes.

Q. It that was a fact, how could

Kline sign the certificate?

A. No, that is true. He cannot

the certificate here -- he certifies that he

is the president, my lord, and the facts are



1 true and correct, that he is a director. And
2 he takes it as president.

3 Q. When the police interviewed him
4 he said he was never a director and knew
5 nothing of the matters in the club.

6 We had better adjourn.

7
8 ---Whereupon the hearing adjourned for lunch.

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12 (Page 12630 follows)



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And true and correct, that he is a director. And
he takes it as president.

Q. When the police interviewed him
he said he was never a director and knew
nothing of the matters in the club.
We had before us.

---Whereupon the hearing adjourned for lunch.

(Page 12530 follows)



AA/FAL/1

1 ---On resuming at 2.35 o'clock a.m.

2 ---The witness resumed the stand.

3
4 MR. ESTEY: Q. Mr. Cudney, at the adjourn-
5 ment we were discussing the apparent conflict
6 between the returns for the year 1959 and
7 the police report dated the 13th of October,
8 1959, where William Kriss and Audly Fennell
9 are shown as being directors. I think you
10 told us that Mr. Kriss signed a
11 certificate on the back of that return. The
12 police say that their interview showed that
13 neither was connected with this club and
14 could not explain its operation.

15 A. There is nothing on the file that
16 appears, my lord, that anything was done. I
17 can't recall whether anything was done or not.
18 There is nothing on the file. I can't
19 remember whether anything was done about
20 that.

21 Q. This club raises two or three
22 other items which I have selected because it
23 illustrates them. Is there any reason why
24 the necessity of a referral to the police is
25 not in the regulations? Is the Statute too
26 narrow to allow that to be frozen into the
27 regulations?

28 A. I am thinking back now, Mr. Estey,
29 over eight years. We had, when we developed
30



14-00000

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Q. Now, Mr. Cuddy, at the adjournment we were discussing the apartment complex between the returns for the year 1959 and the police report dated the 13th of October, 1959, where William Hinton and Andy Pennell are shown as being directors. I think you told us that Mr. Hinton signed a certificate on the back of that return. The police say that their interview showed that neither was connected with this club and could not explain its operation.

A. There is nothing on the file that appears, my lord, that anything was done. I can't recall whether anything was done or not. There is nothing on the file. I can't remember anything about that.

Q. This club raises two or three other fees which I have noticed because it illustrates them. Is there any reason why the necessity of a referral to the police is not in the regulations? Is the statute too narrow to allow that to be taken into the

A. I am assuming that the club has over eight years. We had, when we developed



1 our present regulations in 1954 - then, we have
2 added a few since, my lord - I cannot recall
3 whether that was discussed with the Registrar
4 of Regulations or not. It might have been.
5 I, frankly, can't say. I don't know whether
6 the section, frankly, would be wide enough,
7 if it could be put in the regulations, the
8 referral to the police. It might be
9 possibly wide enough. I know we had at the
10 time a great mass of departmental practice
11 in 1954. Before that the only thing in our
12 regulations was the departmental fees.
13 When the Act was widened in 1954 and we did
14 want to put a number of things in the
15 regulations that the Registrar said the
16 Act was not wide enough. I can't say,
17 Mr. Estey.

18 Q. You cannot say whether that was
19 considered?

20 A. I can't remember. I know there
21 were a number of things we couldn't get in
22 the regulations because it was thought the
23 section was not wide enough.

24 Q. The police report said at some
25 time this club was dormant. As a matter of
26 policy, would the charter have been cancelled
27 had they become dormant, on the theory the
28 charter is not being used and, therefore,
29 is not necessary?
30

AA/2



AA/2

...regulation is not a law, it is not
 added a law since, my lord - I cannot recall
 whether that was discussed with the Minister
 of Regulations or not. It might have been.
 I, frankly, can't say. I don't know whether
 the Minister, frankly, would be well advised
 if it could be put in the regulations, the
 referral to the police. It might be
 possibly wide enough. I know we had at the
 time a great many of departmental practice
 in 1954. Before that the only thing in our
 regulations was the departmental fees.
 When the Act was widened in 1954 and we did
 want to put a number of things in the
 regulations that the Minister said the
 Act was not wide enough. I can't say.

Q. ...
 You cannot say whether that has
 been considered?
 A. I can't remember. I know there
 were a number of things we couldn't get in
 the regulations because it was thought the
 section was not wide enough.
 Q. The police report said at some
 time this club was dormant. As a matter of
 fact, would you say that the club was dormant
 and they become dormant, on the theory the
 character is not being used and, therefore,
 is not necessary?



1 A. When the charter is dormant - that
2 is, when it hasn't filed returns or when the
3 corporate powers are forfeited?

4 Q. I think the context of the police
5 report was that the members were not operating
6 as a club.

7 A. It hadn't been using its corporate
8 powers? Yes. No, ordinarily we don't do
9 that, Mr. Estey.

10 Q. Any reason why that would not
11 be done?

12 A. Well, --

13 Q. If you knew about it?

14 A. Yes, if we knew about it. I mean,
15 very few cases we do know about it. In the
16 ordinary case, where a company will apply
17 for supplementary letters patent and we find
18 they have not filed returns for a year, we
19 will not issue the supplementary until they
20 establish that their corporate powers have
21 not been forfeited. If we determine they
22 have been forfeited we require them to get
23 a revival before they get their supplementary
24 letters patent. Ordinarily, we don't
25 cancel the charter. If it came to our
26 attention, supposing the ordinary joint
27 stock company, we would. I do not think we
28 have ever had a case but if it came to our
29 attention.
30



A. When the charter is granted - that

is, when it is granted to the company

corporate powers and privileges

Q. I think the content of the petition

report was that the members were not operating

as a club.

A. It hasn't been using the corporate

powers? Yes, No, ordinarily we don't do

any more.

Q. Any reason why that would not

be so?

A. Well, --

Q. If you knew about it?

A. Yes, if we knew about it, I mean,

very few cases we do know about it. In the

ordinary case, where a company will apply

for supplementary letters patent and we find

they have not filed returns for a year, we

will not issue the supplementary until they

establish that their corporate powers have

not been forfeited. If we determine they

have been forfeited we require them to get

a revival before they get their supplementary

letters patent. Ordinarily, we don't

cancel the charter. If it came to our

attention, supposing the ordinary letter

book company, we would. I do not think we

have ever had a case but it came to our

attention.



1 THE COMMISSIONER: Q. How would you know
2 whether or not they were exercising their
3 corporate powers?

4 A. Usually, my lord, the first thing
5 asked for is the production of the books, the
6 minute books. The user of corporate powers
7 is interpreted under the Act as not a
8 transaction to buy or sell but if they did
9 not use their power to hold a directors'
10 meeting.

11 Q. What about the New Moon Company,
12 say, how would you know that company was
13 exercising its corporate powers unless you
14 made some enquiries?

15 A. We would ask for their books.

16 Q. That is making an enquiry?

17 A. Yes.

18 Q. Until you did make an enquiry
19 you would not know whether or not they
20 were exercising their corporate powers?

21 A. Yes.

22 Q. And, not knowing whether they
23 were or were not, you would not be considering
24 whether you ought to cancel the charter
25 or not?

26 A. No.

27 MR. ESTEY: Q. In this case, the Club
28 Macedonia, you knew because it was in the
29 police report. This is a policy question
30



police report. This is a policy question. No, you know because it was in the

A. No.

whether you ought to cancel the charter

were or were not, you would not be considering
Q. And, not knowing whether they

were exercising their corporate powers?

you would not know whether or not they

Q. Until you did make an enquiry

A. Yes.

Q. That in making an enquiry?

A. We would ask for their books.

made some enquiries?

Q. Now would you know that company was

Q. What about the New Moon Company?

not use their power to hold a director?

transmission to pay or sell but if they did

is interpreted under the Act as not a

minute books. The user of corporate powers

asked for in the production of the books, and

A. Usually, my lord, the first thing



1 which possibly I should ask Mr. Yaremko. Why
2 do not you cancel the charter in a case such
3 as the Club Macedonia, when it is said to be
4 dormant, or hold a hearing to establish that
5 it is or is not dormant?

AA/3 6 A. Does the police report say it was
7 dormant? I don't think the police report
8 said it was dormant. That is, the Metropolitan
9 Police Report. No, there was -- . I don't
10 think there is anything, my lord, that
11 mentions or suggests forfeiture. It does
12 say two persons named as officers claimed
13 to have nothing to do with it.

14 Q. That is Inspector Walker's report?

15 A. Yes.

16 Q. There is one other report on the
17 file, I think on the 5th of November, 1959,
18 that may be the date of the receipt or the
19 date of the report, but the one you read
20 out, did use the word "dormant". If that
21 is true - I am not sure it is - but, if it
22 is true why wouldn't you cancel it?

23 A. This was the report of the Metro
24 Police, November 5, 1959. That is the
25 one, Walker's report, Mr. Estey?

26 MR. CARTY: November 3.

27 THE WITNESS: Yes, covered in a letter
28 of November 5.

29 No, I don't think --
30



which possibly I could not see, I think.

do not you cancel the charter in a case such

as the Club Macedonia, when it is said to be

chartered, or when it is said to be dissolved?

it is or is not dormant?

A. Does the police report say it was

dormant? I don't think the police report

said it was dormant. That is, the Metropolitan

Police Report. No, there was -- I don't

think there is anything, my lord, that

mentions or suggests forfeiture. It does

say two persons named as officers claimed

to have nothing to do with it.

Q. That is important, isn't it?

A. Yes.

Q. There is one other report on the

file, I think on the 5th of November, 1939.

That may be the date of the receipt or the

date of the report, but the one you read

out, did use the word "dormant". Is that

in there - I am not sure it is - but, is it

in there why wouldn't you cancel it?

A. This was the report of the Metro

Police, November 5, 1939. That is the

one, isn't it?

Q. Yes.

THE WITNESS: Yes, covered in a letter

of November 5.

Q. I don't see --



1 MR. ESTEY: Q. Am I wrong in that?

2 A. I can't see anything here, Mr. Estey,
3 that suggests the club was dormant. It says
4 here that no club premises being established,
5 but that would not necessarily mean it was
6 dormant if they did not have the premises.
7 A definite fixed premises.

8 Q. We can perhaps come back to this.

9 In any event, in the sequence of events,
10 to finish this club off and get on to the
11 next one, the last I know of administration,
12 I think, is on the 27th of November, 1959,
13 a memorandum on the private file from
14 yourself, directing the supplementary letters
15 patent issue. Do you see that?

16 A. Yes, November 27, 1959.

17 Q. What does that say?

18 A. "I discussed the application
19 "for supplementary letters patent and
20 "the police reports with the Hon.
21 "Dr. Phillips who directed that the
22 "supplementary letters patent should
23 "be issued."

24 Q. Is there a recommendation on the
25 file where you recommended it should be issued
26 in this case?

27 A. No. I remember in this case.
28 This is a case I remember. I discussed it
29 with Dr. Phillips. The Metro Police report,
30



Q. Now, I want to ask you

A. I can't see anything here, Mr. Egan.

that suggests the club was dormant. It says
here that no club premises being established,
and that would not necessarily mean it was
dormant if they did not have the premises.
A definite fixed premises.

Q. We can perhaps come back to this.
In any event, in the sequence of events,
to finish this club off and get on to the
next one, the first I know of administration,
I think, is on the 24th of November, 1952,
a memorandum on the private file from
yourself, directing the supplementary letters
patent issue. Do you see that?

A. Yes, November 27, 1952.

Q. And that was right?

A. "I discussed the application

"for the supplementary letters patent with

Dr. Phillips who directed that the

supplementary letters patent should

"be issued."

Q. Is there a recommendation on the
file where you recommended it should be issued
in this case?

A. No. I remember in this case.

This is a case I remember. I discussed it

with Mr. Phillips. The letter followed



1 when I first discussed it with him, had not
2 been received, in that there were a number of
3 telephone calls from solicitors to myself and
4 to Dr. Phillips, and I had telephoned the
5 police for their report and had written and
6 they had told me over the phone what their
7 objections were. Then, later the report
8 came in on November the 5th -- dated November
9 the 5th. The supplementary, I see, is
10 dated November 2nd but sent out on November 27.
11 It is November 27. That is my memo of my
12 conversation with Dr. Phillips.

13 Q. Yes.

14 THE COMMISSIONER: Q. 27th?

15 A. November 27, my lord. That is
16 the date of my memo. Whether I discussed it
17 that date with Dr. Phillips or some time
18 previously, I don't know. I think it was
19 some time previously. I do remember the
20 occasion, though.

21 MR. ESTEY: Q. Did you or did you not
22 recommend the supplementary letters patent be
23 issued?

24 A. Well, I don't think I did one
25 way. I brought it to the attention of
26 Dr. Phillips for his consideration.

27 Q. I see.

28 A. I think the Provincial Police had
29 given it a good report. And, there was -- It
30



Q. I think that is all right, is it not?

A. Yes, I think so. I think there were a number of

other things that were done at that time.

Q. Now, Dr. Phillips, and I had telephoned him

and he had written and had written and

they had told me over the phone what those

objections were. Then, later, the report

came in on November the 5th -- dated November

the 5th. The supplementary, I see, in

dated November 2nd but sent out on November 27.

Is it November 27? That is my memo of my

memorandum, is it not?

Q. Yes, that is correct.

A. Now, the date of my memo, is it not

November 27, my lord. That is

the date of my memo. Whether I discussed it

that date with Dr. Phillips or some time

previously, I don't know. I think it was

some time previously. I do remember the

date, my lord.

Q. Now, Mr. Justice, did you or did you not

recommend the supplementary letters patent be

granted?

A. Well, I don't think I did one

way. I brought it to the attention of

Dr. Phillips for his consideration.

Q. I see.

A. I think the Provincial Police had

given it a good report. And, there was -- is



1 was one of the cases, as I say, as I mentioned
2 earlier in my evidence, where I had a report
3 where it was definitely stated there was
4 gaming and my practice in the last year and a
5 half was to turn the application down without
6 referring it to the Minister but if there
7 was some case where I had representations I
8 would take it up with the Minister for his
9 consideration before the charter was issued
10 or refused.

11 Q. I notice in this file that Mr.
12 David J. Walker and Mr. D.R. Michener are
13 referred to. I take it those two gentlemen
14 were Members of Parliament?

15 A. Yes.

16 Q. Mr. Walker and Mr. Michener
17 discussed this with Mr. Dunbar, according to
18 your letter?

19 A. That was in 1957.

20 Q. June 29, 1957. And, again, Mr.
21 Walker in 1959?

22 A. Yes. Well, I don't know whether
23 they were Members at that time or not.

24 Q. Now, --

25 THE COMMISSIONER: Q. They were not
26 members of the Ontario Legislature?

27 A. No.

28 MR. ESTEY: Members of Parliament, was
29 my question. As a matter of fact, Mr. Walker,
30



1 in 1959, would be a Federal Cabinet Minister.

2 Q. Would he not?

3 THE COMMISSIONER: What difference does
4 it make?

5 A. Well, I couldn't say, Mr. Estey,
6 whether he was.

7 MR. ESTEY: Q. We have a memorandum
8 from the police (sic) arranging discussions
9 with Members of the Legislature. We have
10 seen one instance already and I am asking
11 whether or not this was another one?

12 A. I couldn't say, Mr. Estey, whether
13 he was a Minister or not at that time.

14 Q. All right. Just to finish that
15 off I think I should take you to the last
16 stages where the charter, I think, was
17 cancelled. On December, 1961. I believe
18 that starts with a letter from you to the
19 club on June 28, 1961, saying you were going
20 to cancel unless the contrary was shown.

21 A. June 28.

22 Q. June 28, 1961?

23 A. Yes.

24 Q. And you did cancel the charter
25 in December, 1961?

26 A. Yes. Will I read the letter?

27 Q. Yes, because I would like to know
28 the grounds.
29

30 THE COMMISSIONER: Q. Is it long?



in 1922, would be a Federal Cabinet Minister.

Q. Would he not?

THE COMMISSIONER: What difference does

it make?

A. Well, I would not say, I would

whether he was.

THE COMMISSIONER: I am not a Minister.

THE COMMISSIONER: (Says) I am not a Minister.

THE COMMISSIONER: We have

seen one instance already and I am asking

whether or not this was another one?

A. I really do not know, I really

he was a Minister or not at that time.

Q. All right. Just to finish that

off I think I should take you to the last

pages where the charter, I think, was

cancelled. I believe, I believe

that starts with a letter from you to the

club on June 26, 1901, saying you were going

to cancel unless the contrary was shown.

A. June 26.

Q. Yes, 1901.

A. Yes.

Q. And you did cancel the charter

in December, 1901?

A. Yes. Will I read the letter?

Q. Yes, because I would like to know

the grounds.

THE COMMISSIONER: I am not a Minister.



1 A. No, it is just two paragraphs, my
2 lord.

3 A letter dated June 28, 1961. A letter
4 written to Club Macedonia, Toronto, from
5 myself;

6 "Dear Sirs;

7 "Re: Club Macedonia

8 "The following matters have been
9 "brought to the attention of this
10 "department with respect to the above
11 "Corperation.

12 "At a hearing before His Worship,
13 "Magistrate Theburn, on April 13, 1961,
14 "at which Stephen Nicholson and
15 "William Dineff, managers of the above
16 "Club, were charged with keeping a
17 "common gaming house at 418 Queen
18 "Street East, the premises of the
19 "Club, it was testified that the
20 "accused Dineff stated to the
21 "arresting constable that the Club
22 "charged ten cents an hour or a
23 "maximum of fifty cents a day per
24 "person for playing cards. This
25 "would appear to be in violation of
26 "the letters patent of the above
27 "Corperation.

28 "Accordingly, I would advise
29 "that unless cause to the contrary is
30



A. No, it is just two paragraphs, my

Lord,

A letter dated June 26, 1901. A letter

written to Club Macedonia, Toronto, from

myself.

"The letter

was written

"The following subject was discussed

"The subject of the letter is the

"Department with respect to the above

"The letter

"The letter was written to the

"The letter was written to the

"at which Stephen Nicholson and

"William Dineen, managers of the above

"Club, were charged with keeping a

"common gaming house at 418 Queen

"Street East, the premises of the

"Club, is now being used for

"accused Dineen stated to the

"arresting constable that the Club

"charged ten cents an hour or a

"maximum of fifty cents a day per

"person for playing cards. This

"would appear to be in violation of

"the letters patent of the above

"The letter

"Accordingly, I would advise

"that unless cause to the contrary in



1 "shown why the letters patent of the
2 "above Corporation should not be
3 "cancelled, an Order will be made
4 "on or after July 10th, 1961, under
5 "subsection 1 of section 326 of
6 "The Corporations Act cancelling
7 "the letters patent of the above
8 "Corporation for cause."

9 MR. ESTEY: Q. How did the Department
10 find out about that proceedings, can you tell?

11 A. . . . Actually, Mr. Estey, it looks
12 to me, in the letter it is mentioned the
13 conviction on April 13, 1961. But I see
14 that the conviction, it appears to be,
15 April 13, 1960. The Metropolitan Toronto
16 Police. Chief Mackey wrote on May 6, 1960,
17 the letter was received May 9, 1960, enclosing
18 a report -- Yes, it was April 13, 1960;
19 not 1961.

20 MR. WILSON: Were they acquitted or
21 were they convicted? You said convicted.

22 MR. ESTEY: Q. Can you tell whether
23 that was an acquittal or conviction?

24 A. I am just reading the police
25 report here. It says -- There are a
26 number of charges referred to here in the
27 report over the years.

28 "As a result of the investigations
29 "conducted, Stephen Nicholson, . . . " --
30



"above Corporation should not be

"above Corporation should not be

"above Corporation should not be

"above Corporation should not be

"above Corporation should not be

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1 " . . . and William Dineff, . . . " --

2 " . . . Club Managers, were charged

3 "with Keeping a Common Gaming House.

4 "Sixteen male members were also charged

5 "at this time. On Tuesday, April 19th,

6 "1960, the two accused, Nicholson and

7 "Dineff appeared before His Worship,

8 "Magistrate Thoburn and pleaded Not

9 "Guilty to the Charge. The charge

10 "was dismissed against the two

11 "accused and the charges against the

12 "sixteen male found-ins were with-

13 "drawn at the request of the Crown

14 "Attorney.

15 "His Worship, Magistrate Thoburn

16 "commented that the clause in the

17 "charter prohibiting the Club from

18 "making a charge for the privilege

19 "of playing games of chance was not

20 "sufficiently defined to warrant a

21 "criminal conviction, and as such

22 "was giving the accused the benefit

23 "of the doubt.

24 "On Wednesday, April 27th,

25 "1960, an Order for Search (Gaming)

26 "was executed . . . "

27 Q. That was grounds for cancelling

28 on June 28?

29 A. And an investigation showed that

30



... and William ...

"... Club Managers, were charged

... charged ...

"... charged ...

"... charged ...

"1960, the two accused, Robinson and

"Dinner appeared before the Working,

"Magistrate Thompson and pleaded Not

"Guilty to the Charge. The charge

"was dismissed against the two

"accused and the charges against the

"... charged ...

"drawn at the request of the Crown

"... charged ...

"... charged ...

"commented that the clause in the

"charter prohibiting the Club from

"making a charge for the privilege

"of playing games of chance was not

"sufficiently defined to warrant a

"criminal conviction, and as such

"was giving the accused the benefit

"... charged ...

"... charged ...

"... charged ...

"... charged ...

"... charged ...

"... charged ...

"... charged ...

"... charged ...



AA/5

1 they were charging ten cents an hour. That is
2 a report dated April 28, 1960.

3 THE COMMISSIONER: That is an illustration
4 of an instance in which there was no conviction
5 but the charter was cancelled for contravention
6 of a provision in the charter?

7 A. A provision in the charter.

8 MR. ESTEY: Q. I am wondering if there
9 is anything you might --

10 A. Pardon me?

11 MR. WILSON: This does not say a conviction,
12 it says at the charge they testified they
13 were charging ten cents an hour.

14 THE COMMISSIONER: Q. The charge against
15 the individuals was dismissed and withdrawn
16 against the found-ins?

17 A. Yes.

18 MR. ESTEY: Q. That was in April or
19 May, 1960, you found out about it. Why was
20 the action taken in June, 1961? What
21 brought it up again? Why wasn't it taken
22 earlier?

23 A. I received the letter from Chief
24 Mackey on May the 9th. On May the 11th I
25 wrote to Mr. Samuel Margolian, Departmental
26 Solicitor:

27 "I am in receipt of a report
28 "from the Metropolitan Toronto Police
29 "relative to the above Club. I am
30



they were charging ten cents an hour. That is

THE COMMISSIONER: That is an illustration

of an instance in which there was no conviction
but the charter was cancelled for non-payment

of a provision in the charter?

A. A provision in the charter.

MR. WATSON: O. I am wondering if there

is any provision in the charter

that would

MR. WATSON: This does not say a conviction

is necessary as the charge they cancelled was

were charging ten cents an hour.

THE COMMISSIONER: I am not sure

the individual was dismissed and withdrawn

from the city

A. Yes.

MR. WATSON: O. That was in April or

May, 1900, you found out about it. Why was

the charter cancelled then?

brought it up again? Why wasn't it taken

care of?

A. I received the letter from Chief

Knicker on May the 2nd. On May the 11th I

wrote to Mr. Samuel Margolis, Departmental

Secretary:

"I am in receipt of a report

"from the Metropolitan Toronto Police

"relating to the case of



1 "enclosing the report and the file and
2 "would ask you if you would look it
3 "over and discuss it with me in the
4 "near future."

5 Then, I can't recall the full steps until --
6 Now, one of three things could happen. I
7 searched my mind on it. I have asked Mr.
8 Margolian. I have checked with the City
9 Police, to see if they had any records of
10 any telephone calls, but they did not keep
11 records of calls, one way or the other. One
12 of three things could have happened on it.
13 I was away for some months. I was taken
14 ill at the end of 1960 and I was away and was
15 really back on my feet in the beginning of
16 May, 1961, and at that time I had a number
17 of club matters looked into. I asked the
18 Metropolitan Toronto Police to come in to
19 discuss these club matters with me. I had
20 collected them from the Company's Division.
21 I asked Inspector Walker and his officers to
22 come in. I think it was about May the 11th,
23 1961. This was one of the matters. There
24 were a number of clubs, as I recall, came up.
25 I then discussed the clubs with my Minister
26 and it was decided to get a transcript of the
27 evidence whereby they had testified -- or,
28 the officer had testified they were charging
29 the ten cents an hour -- they had stated they
30



"emphasizing the report and the fact that

"would ask you if you would look it

"over and discuss it with me in the

"next future."

Then, I can't recall the full report until --

Now, one of these things could happen. I

remembered that I was in the

Manitoba. I have checked with the City

Police, to see if they had any record of

any telephone calls, but they did not keep

records of calls, one way or the other. One

of these things could have happened on it.

I was away for some months. I was there

all at the end of 1900 and I was away from

really back on my feet in the beginning of

May, 1901, and at that time I had a number

of club matters looked into. I asked the

Metropolitan Toronto Police to come in to

discuss these club matters with me. I had

collected them from the Company's Division.

I asked Inspector Walker and his officers to

come in. I think it was about May the 15th,

1901. This was one of the matters. There

were a number of clubs, as I recall, came up.

I then discussed the clubs with my Division

and it was decided to get a transcript of the

evidence whereby they had testified -- or,

the officer had testified they were charging

the ten cents an hour -- they had passed that



1 were charging the ten cents an hour. Following
2 that I sent a letter to the club on June 28,
3 1961, advising of a proposed cancellation.

4 Q. Then, you held a hearing and
5 cancelled?

6 A. A hearing was requested and the
7 hearing was set for July 24 in my office.
8 Then, there was a request --

9 Q. Actually held September 22?

10 A. Yes. There were requests for
11 adjournments and it was held, I think it was,
12 September 22. I received the transcript
13 of evidence in November.

14 Q. And cancelled December the 7th?

15 A. December the 6th.

16 Q. December the 6th?

17 A. The 6th, yes.

18 Q. Now, would you -- That is the end
19 of the Club Macedonia, I think, Mr. Cudney.

20 Chan Social Club. Would you put that
21 file in front of Mr. Cudney?

22 MR. WILSON: You will find that in
23 Appendix H, at pages 27 and 28.

24 MR. ESTEY: Q. This would appear to
25 have been incorporated in 1956, March of 1956?

26 A. March 28, 1956.

27 Q. I take it the letters patent
28 have the two clauses, the ten cent clause and
29 the bars and bolts clause?
30



1901, advising of a proposed cancellation.

Q. Then, you held a hearing and

A. A hearing was requested and the

hearing was set for July 24 in my office.

then, there was a request --

A. Yes. There were requests for

September 22. I received the transcripts

of evidence in November.

Q. And cancelled December the 1st.

A. December the 6th.

Q. The 6th, yes.

Q. Now, would you -- that is the end

of the Club Macedonia, I think, Mr. Gentry.

Q. Yes, would you put that

in the appendix, at pages 24 and 25.

MR. WILSON: You will find that in

MR. WILSON: This would appear to

have been incorporated in 1900, March or 1901?

A. March 23, 1900.

Q. I take it the letters patent

have the two classes, the ten cent class and

the bars and bolts class?



1 A. Yes, they have both.

2 Q. I notice, and perhaps this would
3 illustrate something that occurs in these
4 files, that on the 15th of January, 1959,
5 you received, it looks like you received,
6 the annual return for the year 1957?

7 A. Yes.

8 Q. There is a reference in the
9 letter that no annual meeting has been held
10 yet, the club has never been organized. Then,
11 in January, 1960, the return indicates there
12 still has not been an annual meeting?

13 A. Yes.

14 Q. Then, in a letter of January
15 the 7th, 1960, the solicitor writing to the
16 Department says the club has never done any
17 business since incorporation. This perhaps
18 is a better context out of which to ask the
19 question which came up earlier: Now, the
20 Department has noticed the charter has not
21 been put to use. Is it the policy in
22 that circumstance to cancel the charter?

23 A. May I say this, first: The
24 corporate powers -- You see, this was
25 incorporated after 1954.

26 Q. Right.

27 A. In the Act, from 1954 onwards
28 non-user only renders the corporate powers
29 liable to be forfeited.
30



A. Yes, they have both.

Q. I notice, and perhaps this would

illustrate the fact that the

file, that on the 15th of January, 1934,

you received, it looks like you received,

the annual return for the year 1933?

A. Yes.

Q. There is a reference in the

letter that no annual meeting has been held

yet, the club has never been organized. Then,

in January, 1930, the return indicates there

was no annual meeting.

A. Yes.

Q. Then, in a letter of January

the 7th, 1930, the collector writing to the

Department was told that the

return for 1930 was not filed.

in a better context out of which to ask the

question which came up earlier: Now, the

Department has noticed the charter has not

been put to use. Is it the policy in

such circumstances to cancel the charter?

A. That I am not sure.

Department -- Yes, it is.

Incorporated after 1934.

A. Right.

A. In the Act, from 1934 onwards

the Act was amended to provide that

the Act should be amended.



1 Q. On notice?

2 A. On notice. I mean, nothing --

3 They had applied in 1959 for a supplementary,
4 where there was a reference and an adverse
5 report. But, ordinarily, whether it is a
6 club, the mere fact they have not gone into
7 business would not render a club, or otherwise,
8 if there was nothing adverse, would not
9 render the powers liable -- I don't think
10 we would take action to forfeit the powers
11 because somebody had obtained a charter, an
12 ordinary charter, and through some unforeseen
13 circumstance they had not gone into business.
14 As long as they were not purporting to carry
15 on and use those powers. The powers would
16 merely be subject to forfeiture.

17 Q. You touched on something in the
18 course of that answer which may be useful
19 in future files: In the Corporations Act
20 you have to give notice of forfeit?

21 A. Yes.

22 Q. Under the old Companies Act
23 would you tell us the situation vis-a-vis
24 forfeiture?

25 A. Under the old Act, repealed in
26 1954, if a corporation did not use its
27 corporate powers for two successive years,
28 the Act read, the powers were, ipso facto,
29 forfeited. We took it to be forfeited. It
30



Q. On notice --
A. On notice, -- I mean, nothing --

They had applied in 1933 for a subpoena.

Q. Did they get a subpoena?

Report, -- But, ordinarily, whether it is a

club, the mere fact they have not gone into

business would not render a club, or otherwise,

if there was nothing adverse, would not

render the power liable -- I don't think

we would take action to forfeit the power

because somebody had obtained a charter, an

ordinary charter, and through some unforeseen

circumstance they had not gone into business,

as long as they were not purporting to carry

on and use these powers. The powers would

merely be subject to forfeiture.

Q. You focused on something in the

case of the power which was a

in the case: -- the power was

you have to give notice of forfeiture.

A. Yes.

Q. Under the old Companies Act

would you tell us the situation vis-a-vis

forfeiture?

A. Under the old Act, repealed in

1924, if a corporation did not use its

powers for the purpose of

the Act read, the powers were, ipso facto,

forfeited. We took it to be forfeited. Is



1 was by operation of law they were forfeited and
2 not through any ministerial act.

3 Q. Then, if the club, in that
4 instance, resumed operations you cancelled the
5 charter because they did not comply?

6 A. Yes, that is right.

7 Q. I wonder, in connection with the
8 Chan Social Club -- you say these clubs were a
9 bugbear to you, and these charters generally --
10 at that time, on some understanding on the
11 part of the applicant that it was not
12 needed, and it turned out it was not needed;
13 why isn't it the policy of the Department
14 to cancel? Do you know that?

15 A. Well, --

16 THE COMMISSIONER: I am not following
17 that.

18 MR. ESTEY: In this instance.

19 THE COMMISSIONER: Put it again.

20 MR. ESTEY: Q. In this instance, the
21 Chan Social Club, in which the file of the
22 Provincial Secretary reveals in a series
23 of annual returns right from the time of
24 incorporation that the charter has not been
25 used, no meetings held and no business, and
26 this is notice of the club being dormant,
27 and these corporations, while they are a
28 small fraction of the corporations administered
29 by the Department, have been described by
30



was by operation of law they were forfeited and
not through any ministerial act.

Q. Then, at the club, in that
instance, resumed operations you cancelled the
charter because they had not complied?

A. Yes, that is right.

Q. I wonder, in connection with the
Chan Social Club -- you say these clubs were a

bugbear to you, and these charters generally --
at that time, on some understanding on the
part of the applicant that it was not

needed, and it turned out it was not needed;
why isn't it the policy of the Department
to cancel? Do you know that?

A. Well, --

THE COMMISSIONER: I am not following
that.

Q. In this instance, the
Chan Social Club, in which the file of the

Provincial Secretary reveals in a series
of annual returns right from the time of

incorporation that the charter has not been
used, no meetings held and no business, and
this is notice of the club being dormant,

and these corporations, while they are a
small fraction of the corporations administered
by the Department, have been described by

AA



1 the witness as being a source of considerable
2 trouble, and that being so, and also on pure
3 economics, they get a charter for \$20 and it
4 costs money to administer it; why does not the
5 Province simply withdraw that charter since
6 it is not needed?

7 THE COMMISSIONER: That is where I
8 stumbled, not needed.

9 You draw the inference, because they do
10 not use it, it was not needed?

11 MR. ESTEY: Yes.

12 THE COMMISSIONER: If it was not needed
13 why should not the Provincial Secretary's
14 Department, as you put it, withdraw the
15 charter?

16 MR. ESTEY: Yes; particularly when we
17 see what happens to derelict charters. They
18 are picked up and put to other uses.

19 THE COMMISSIONER: Merely because it is
20 not needed immediately should the Provincial
21 Secretary's Department withdraw it?

22 MR. ESTEY: I think if it were
23 "immediately", I would not ask the question,
24 but this is three and a half years.

25 A. Sometimes they might not get into
26 operation in that time, apart from clubs
27 altogether.

28 Q. In any case, it is not your
29 policy to withdraw them in the circumstance?
30



the Commission is not a body of experts.

Problems, and that being so, and also on pure

economics, they are a character for \$20 and 10

which would be a character for \$20 and 10

Province simply withdraw that character since

it is not needed?

THE COMMISSIONER: That is where I

assumed, not needed.

You draw the inference, because they are

not use it, it was not needed?

MR. WATSON: Yes.

THE COMMISSIONER: It is not needed

why should not the Provincial Government

be responsible for the Provincial Government?

unhappy

MR. WATSON: That is the question.

see what happens to general character. They

are placed up but to other work.

The Commission: Surely because it is

not needed immediately should the Provincial

Government be responsible for the Provincial

Government? I think it is.

"Immediately". I would not ask the question,

but that is three and a half years.

A. . . Sometimes they might not get into

operation in that time, apart from other

operation.

Q. . . In any case, it is not your

policy to withdraw them in the circumstances?



1 A. No. I mean, often some people --
2 I have seen many, speaking of charters. Usually,
3 people will obtain a charter and they don't get
4 into business right away. It might go for
5 some time, some unforeseen circumstances in
6 the market, before they use the charter; but
7 we don't withdraw the charter because they
8 don't start to use it right away.

9 Q. So you do not ask them why they
10 have not started to use it?

11 A. No.

12 Q. Very well. This being incorporated
13 in 1956, turn if you would to the part of the
14 file dealing with preliminary to cancellation.
15 I have in mind the letter from the Provincial
16 Police dated the 10th of March, 1959.

17 A. Well, this was the result, my lord,
18 of an application by the club for supplementary
19 letters patent to change their name to Fook Lee
20 Social Club and to change the location of
21 their premises. The application was referred
22 to the police and this is the report, Mr.
23 Estey, of the Provincial Police.

24 Q. That is right. And I think it
25 concludes, I suggest the report's conclusion
26 is perhaps the most interesting part, they say,
27 ineffect, the club is a common gaming house
28 and, therefore, such an application ought not
29 to be granted. Do you see that?
30



I have seen many, speaking of character. Usually, people will obtain a character and they don't get into business right away. It might go for some time, some nineteen circumstances in the market, before they see the character; but we don't withdraw the character because they don't start to use it right away.

have not started to use it?

A. No.

in 1930, when it was used to the part of the file dealing with preliminary to cancellation. I have in mind the letter from the Provincial

A. Well, this was the result, my lord, of an application by the club for supplementary letters patent to change their name to Bookies Social Club and to change the location of their premises. The application was refused so the police and this is the report, Mr.

That is right. And I think it concludes, I suggest the report's conclusion is perhaps the most interesting part, they say, therefore, the club is a common gaming house and, therefore, such an application ought not to be granted. Do you see that?



1 A. Yes. Would you like me --

2 Q. That is the fact?

3 A. Yes.

4 Q. That accurately reflects the report?

5 A. Yes.

6 Q. Is there a report from the City?

7 A. Just a moment. Yes, that seems
8 to reflect the report, Mr. Estey.

9 THE COMMISSIONER: Q. Was there an
10 additional report from the City?

11 A. Yes.

12 MR. ESTEY: Q. March 20, 1959?

13 A. Yes, March 20, 1959.

14 Q. What did they recommend?

15 A. They say:

16 "It appears from this investiga-
17 tion and an inspection of the
18 premises, consisting mainly of one
19 large gaming room, that the sole
20 object of this organization is to
21 facilitate gaming activities among
22 the Chinese people of that district."

23 This was the new district. They were going
24 to move from Dundas -- from 180 to 124 Dundas
25 Street.

26 "... that the sole object of this
27 organization is to facilitate gaming
28 activities among the Chinese people
29 of that district. I would, therefore,
30



A. Yes. Would you like me --

Q. Yes, I would like to.

A. Yes.

Q. Now, you mentioned that you had a report from the G.I.s.

A. Yes.

Q. Is there a report from the G.I.s?

A. Just a moment. Yes, that's about

the report from the G.I.s.

Q. Was there an

additional report from the G.I.s?

A. Yes.

Q. Now, you mentioned that you had a report from the G.I.s.

A. Yes, that's about

the report from the G.I.s.

A. Yes.

Q. It appears from this investigation

that there was an investigation of the

"promises, consisting mainly of one

"large training room, and the sole

"object of this organization is to

"facilitate training activities among

"the Chinese people in the district."

This was the new district. They were going

to move from Hanoi -- from 180 to 184 Hanoi

Street.

"... that the sole object of this

"organization is to facilitate training

"activities among the Chinese people

in the district."



1 "strongly recommend to the Department of
2 "the Deputy Provincial Secretary that
3 "this application for changing the
4 "name of the Chan Social Club to
5 "Fook Lee Social Club be refused and
6 "the original charter be cancelled."

7 Q. A recommendation that it not only
8 be refused but the charter cancelled?

9 A. Yes.

10 Q. That was?

11 A. March 20, 1959.

12 Q. And it was, in fact, cancelled in
13 December, 1961. Is that correct?

14 A. December 6, 1961.

15 Q. Now, in the intervening period
16 after the two police reports, what action
17 did your department take on the matter?

18 A. Well, I see that the police
19 report, the last -- the Metro is March 20,
20 1959. On March 25, 1959, I wrote a memorandum
21 to my Minister, Dr. Phillips. Yes, I had
22 previously turned down the supplementary on
23 this but in regard to the cancellation of
24 the charter I wrote a memorandum to my
25 Minister, Dr. Phillips.

26 THE COMMISSIONER: Q. What was it?

27 A. "I refer to my recent conver-
28 "sation relative to the proposed
29 "cancellation of the Charter of the
30



"strongly recommend to the Department of

"the same, that the Department should

"this application for changing the

"of the Department of the Interior

"from the Social Club be refused and

"the original charter be cancelled."

Q. A recommendation that it not only

be refused but the charter cancelled?

A. Yes.

Q. This was

A. March 20, 1933.

Q. And it was, in fact, cancelled in

December, 1931. Is that correct?

A. December, 1931.

Q. Now, in the intervening period

after the two police reports, what action

did your department take on the matter?

A. Well, I see that the police

reports, the last -- the Memo in March 20,

1933. On March 25, 1933, I wrote a memorandum

to my Minister, Dr. Phillips. Yes, I had

previously turned down the application on

this but in regard to the cancellation of

the charter I wrote a memorandum to my

Minister, Dr. Phillips.

Q. The cancellation of the charter?

A. "I refer to my recent conversation

"action relative to the proposed

"cancellation of the charter of the



1 "above Club.

2 "The Company was incorporated
3 "under The Corporations Act, 1953, by
4 "Letters Patent dated March 28, 1956.
5 "By the Letters Patent, the Club
6 "premises were limited to 180 Dundas
7 "Street West, Toronto.

8 "In accordance with our practice,
9 "the application was approved by the
10 "Metropolitan-Toronto Police and
11 "the Provincial Police before the
12 "Letters Patent were issued.

13 "Recently the Club made an
14 "application to the Department for
15 "Supplementary Letters Patent to change
16 "its name as well as the location of
17 "the premises. We referred this
18 "application to the Metropolitan-
19 "Toronto Police and to the Provincial
20 "Police and received a reply from both,
21 "not only objecting to the issuance
22 "of the proposed Supplementary Letters
23 "Patent, but recommending that the
24 "Charter be cancelled. I arranged
25 "an interview with Sargent Anderson
26 "of our Provincial Police Morality
27 "Squad and Inspector Walker of the
28 "Metropolitan-Toronto Morality Squad.
29 "The meeting was held in my office
30



"The meeting was held in my office
"of our Provincial Police Station
"and and Inspector Kellie of the
"an interview with Sergeant Anderson
"present, but recommending that the
"of the proposed supplementary letters
"not only objecting to the issuance
"Police and Supplementary Letters
"Toronto Police and to the Provincial
"application to the Metropolitan-
"the premises. We returned this
"for name as well as the location of
"supplementary letters Patent to change
"application to the Department for
"Recently the Club made an
"letters Patent were issued.
"the Provincial Police before the
"Metropolitan-Toronto Police and
"the application was approved by the
"In accordance with our promise,
"Forest West, Toronto.



1 "on March 23 and both Sargent Anderson
2 "and Inspector Walker are of the view
3 "that the Club is being conducted as
4 "a common gaming house.

5 "The Club's premises consist
6 "of one large room, with no equipment
7 "except gaming tables, as evidenced
8 "in the attached pictures. There
9 "are ninety members of the Club, each
10 "paying \$25.00 a year membership,
11 "making a total of \$2,250.00 a year
12 "income, but the rent is \$550.00 a
13 "month. Therefore, the cost of
14 "operating the Club must come from
15 "some source other than membership
16 "fees.

17 "The Police are advised by the
18 "Officers of the Club that a charge
19 "is made to the players of ten cents
20 "an hour and not more than fifty cents
21 "a day per player. Under the Criminal
22 "Code any charge made for gaming is
23 "illegal. However, there is an
24 "exception in the Code whereby a
25 "bona fide Club can charge ten cents
26 "an hour and not more than fifty
27 "cents a day per player without
28 "being guilty of keeping a common
29 "gaming house. The Police think that
30

AA/



"on March 23 and both Sergeant Anderson
 "and Inspector [unclear] and [unclear]
 "that the club is being conducted in
 "the [unclear] [unclear]
 "The club's premises consist
 "of one large room, with no equipment
 "except gaming tables, an [unclear]
 "in the [unclear] [unclear]
 "and ninety members of the club, each
 "paying \$25.00 a year membership,
 "making a total of \$2,250.00 a year
 "income, but the rent is \$250.00 a
 "month, [unclear] [unclear]
 "operating the club [unclear] from
 "and [unclear] [unclear]
 "The police are advised by the
 "Officers of the club that a charge
 "is made to the players of ten cents
 "an hour and not more than fifty cents
 "a game [unclear] [unclear]
 "Code any charge made for gaming is
 "excepted in the Code whereby a
 "game [unclear] [unclear] [unclear]
 "an hour and not more than fifty
 "cents a game [unclear] [unclear]
 "being guilty of keeping a common
 "house [unclear] [unclear]

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1 "it is more than likely that the Club
2 "charges considerably more an hour
3 "per player but if they are not
4 "charging more than the above stated
5 "amount, they are not keeping a
6 "common gaming house in contravention
7 "to the Criminal Code.

8 "However, the Letters Patent . . . "
9 and so on.

10 Then I outline the ten cent an hour
11 charge.

12 "This clause has gone in Club
13 "Charters for the last eleven years
14 "at the suggestion of the Police,
15 "because very often incorporated
16 "clubs claimed that they were charging
17 "what the law permitted, whereas they
18 "were, no doubt, charging more.

19 "It appears that the Club, by
20 "the admission of its Officers, has
21 "contravened the provision of the
22 "Charter by making any charge and I
23 "would recommend that, in view of
24 "the general background and the
25 "recommendation of the Police, the
26 "Letters Patent be cancelled for
27 "cause under Section 325(1) of The
28 "Corporations Act, 1953.

29 "I may say that Chief Mackey
30



It is suggested that the law be changed

"changed considerably more in 1902

and that the law be changed

"changing more than the above stated

"amount, they are not keeping a

"common gaming house in contravention

"to the Criminal Code, . . .

"However, the Letters Patent . . .

and so on, . . .

Then I outline the ten cent an hour

charge.

"This clause has gone in 1910

and the law is now

and the law is now

and the law is now

"clubs claimed that they were changing

"what the law permitted, whereas they

"were, no doubt, changing more.

"It appears that the Club, by

the law is now

and the law is now

"Character by making any change and I

"will recommend that, in view of

"the general background and the

"recommendation of the Police, the

"Letters Patent be cancelled too

"since under Section 32(1) of The

"Corporations Act, 1908.

"I may say that Chief Justice



1 "of Metropolitan-Toronto Police in his
2 "letter of March 20th concurs in the
3 "recommendation of Inspector Walker
4 "to cancel the Charter, a copy of
5 "which letter and report of Inspector
6 "Walker is enclosed."

7 MR. WILSON: Q. What is the date of that?

8 THE WITNESS: March 25, 1959.

9 MR. ESTEY: The police report being five
10 days before.

11 Q. Then, did the Minister answer
12 your memorandum? What happened next?

13 A. The next on the file is a letter
14 from the Prime Minister -- from the Minister
15 to the Prime Minister.

16 THE COMMISSIONER: Q. From whom?

17 A. From the Minister to the Prime
18 Minister.

19 Q. What date is that?

20 A. July 31, 1959.

21 MR. ESTEY: Q. Is that a long letter, Mr.
22 Cudney?

23 THE COMMISSIONER: Q. The ~~Submission~~
24 Minister being whom?

25 A. Dr. Phillips.

26 Q. What does the letter say?

27 A. "July 31, 1959

28 "Dear Les:

29
30 "Re: Chan Social Club



"of Metropolitan Toronto Police in his
 "letter of March 20th concerning in the
 "recommendation of Inspector Walker
 "to cancel the Charter, a copy of
 "which letter and report of Inspector

MR. WILSON: Q. What is the date of that
 THE WITNESS: March 25, 1959.

MR. WATKINS: The police report being five

your memorandum. What happened next?

A. The next on the file is a letter
 from the Prime Minister to the Minister
 on the 11th of April.

A. From the Minister to the Prime

A. July 31, 1959.

THE COMMISSIONER: Q. The Commission

A. " " " July 31, 1959



1 "The above Club was incorporated
2 "under The Ontario Corporations Act by
3 "Letters Patent dated March 28, 1956.
4 "The Letters Patent limited the Club
5 "premises to 180 Dundas Street West,
6 "Toronto and the Letters Patent
7 "contained the usual clause that if
8 "the Club made any charge for gaming
9 "the Letters Patent would be
10 "cancelled.

11 "The Club has made application
12 "for Supplementary Letters Patent to
13 "change its name to Fook Lee Social
14 "Club and to change the location of
15 "its Club premises to 124 Dundas
16 "Street West, Toronto. When the
17 "application was received my Deputy,
18 "Mr. Gudney, in accordance with our
19 "practice, referred the application
20 "to the Ontario Provincial Police
21 "and to the Metropolitan Toronto
22 "Police. Both Police in their reports,
23 "a copy of which is attached, strongly
24 "objected to the issue of such
25 "Supplementary Letters Patent and
26 "also strongly recommended the
27 "cancellation of the Charter and they
28 "were of the view that the Club was
29 "conducting a common gaming house.
30



"The above Club was incorporated

[illegible]

"It's just saying, 'sorry, not here'."

Wrote to the Vice President of the United States



1 "The officers of the Club intimated to
2 "the Police that they were making a
3 "charge of ten cents an hour per
4 "player, which is permitted by the
5 "Criminal Code to a bona-fide
6 "incorporated Social Club. However,
7 "in view of the clause in the Charter
8 "which prohibits any charge being
9 "made, even of ten cents an hour,
10 "there are grounds for cancellation
11 "of the Charter. The Police feel that
12 "the Club is charging a lot more than
13 "ten cents an hour per player, as
14 "there are only ninety members which
15 "pay an annual membership fee of
16 "\$25.00 and the rent is \$550.00 a
17 "month. The Police felt so strongly
18 "about the matter that Sergeant
19 "Anderson of the Anti-Gambling Squad
20 "of the Provincial Police and
21 "Inspector Walker, Chief of the
22 "Morality Squad of the Metropolitan-
23 "Toronto Police both interviewed Mr.
24 "Gudney personally and made a strong
25 "recommendation that the Charter be
26 "cancelled.

27 "Mr. T.R. Deacon, Q.C. of
28 "Toronto is Solicitor for the Club
29 "and he has been pressing very hard
30



"The witness in the first instance is
 "the witness who has been making a
 "statement of the facts as they are
 "known, which is presented to the
 "Court, and it is a matter of
 "fact that the witness is a member
 "of the club in the view of the witness in the first
 "instance, which prohibits any further being
 "made, and it is a matter of fact
 "there are grounds for cancellation
 "of the charter. The Police feel that
 "the club is charging a lot more than
 "ten cents an hour per player, and
 "there are only ninety members which
 "pay an annual membership fee of
 "\$25.00 and the rent is \$50.00 a
 "month. The Police feel no sympathy
 "about the matter, that is all.
 "Anderson of the Anti-Gambling Squad
 "of the Provincial Police and
 "Inspector Whitely, Chief of the
 "Metropolitan Police of the Metropolitan
 "Toronto Police both interviewed Mr.
 "Gibney personally and made a strong
 "recommendation that the charter be
 "cancelled.
 "The witness in the first instance is
 "Toronto is Solicitor for the Club
 "and he has been pressing very hard



1 "for the Supplementary Letters Patent to
2 "be issued. He has called Mr. Gudney
3 "a number of times and advised that
4 "he has made representations to the
5 "Attorney General's Department. Mr.
6 "Gudney has been in touch with the
7 "Attorney-General's Department who
8 "advise that they can see no objection
9 "to the issue of Supplementary Letters
10 "Patent changing the name and the
11 "location of the Club premises, but
12 "they have no comments to make upon
13 "the alleged gambling and will not
14 "make any commitment as to whether
15 "the Charter should be cancelled.

16 "I am bringing this matter to
17 "your attention for your advice as to
18 "whether or not the Charter should
19 "be cancelled and as to whether or
20 "not Supplementary Letters Patent
21 "should be issued."

22
23 MR. ESTEY: Q. Is there any reply to
24 that letter?

25 THE COMMISSIONER: Q. Why was the Minister
26 asking the Premier about it?

27 A. I couldn't say, my lord.

28 No, there seems to be no reply. There
29 is nothing on file, Mr. Estey.

30 MR. ESTEY: Q. From a pure legal viewpoint,



"For the Supplementary Letters Patent to
be issued. We have called Mr. Gundry
a number of times and advised him
he has made representations to the
Supplementary Letters Patent, and
Gundry has been in touch with the
Supplementary Letters Patent and
advising that they can see no objection
to the issue of Supplementary Letters
Patent. They have no comments to make upon
the location of the Club premises, but
they have no comments to make upon
the proposed building and will not
make any comment as to whether
the Charter should be cancelled.
I am bringing this matter to
your attention for your advice as to
whether or not the Charter should
be cancelled and as to whether or
not Supplementary Letters Patent
should be issued."

MR. MURPHY: Q. Is there any reply to
that letter?

THE PRESIDENT: A. Yes, the letter
asking the President about it?

A. I couldn't say, my lord.
No, there seems to be no reply. There
is nothing on file, Mr. Casey.

MR. MURPHY: A. Yes, a letter from the



1 I suppose, Section 5 of the Act is the relevant
2 consideration, the Provincial Secretary has
3 the Lieutenant-Governor's discretion and not
4 another officer of the Crown?

5 A. That is right.

6 Q. The result of that is that in
7 March, 1959, a police report which is somewhat
8 vehement has, at least until the end of that
9 letter, not been acted upon?

10 A. Till the end of -- Till that
11 letter of July 31, 1959, Mr. Estey.

12 Q. Yes. I do not mean not acted
13 upon in your Department but no cancellation
14 proceedings were instituted during 1959?

15 A. No, they weren't.

16 Q. Then, the next event, I think, is
17 a report from the City Police again in May
18 of 1960. May the 9th of 1960?

19 A. Yes. There is a report from
20 the Metropolitan Toronto Police received by
21 me from Chief Mackey, received by me on
22 May 9, 1960, enclosing a report in which
23 it appeared -- I think this was a club --
24 If I may just take a moment. I do not want
25 to make a wrong statement. This is the
26 Fook Lee Social Club. This was the Chan
27 Social Club, and they wanted to change it to
28 the Fook Lee. This report is headed --
29 And the supplementary had been turned down,
30



I suppose, Section 5 of the Act is the relevant

one, is it not?

the Lieutenant-Governor's discretion and not

another officer of the Crown?

Yes, it is.

Q. The result of that is that in

March, 1955, a police report which is somewhat

incomplete, was received by the Chief of Police

letter, not been acted upon?

A. Till the end of -- Till three

months after that time, I think.

Q. Yes. I do not mean not acted

upon in your department but no consideration

given to it at all?

Yes, I think so.

Q. Then, the next event, I think, is

a report from the City Police again in May

of 1960. Was the Gen of Police

A. Yes. There is a report from

the Metropolitan Toronto Police received by

me from Chief Mackey, received by me on

May 7, 1960, which was a report in which

it appeared -- I think this was a kind --

it may have been a moment. I do not want

to make a wrong statement. This is the

Book Lee Section Club. This was the Club

Social Club, and they wanted to change it to

the Book Lee. This report is headed --

and the application had been turned down.



and also the change of premises to 124 Dundas Street. This report is in regard to the Fook Lee Social Club operating at 124 Dundas Street West, which was the premises they wished and the supplementary had been refused. It states that there was a conviction. There had been a raid and there had been persons convicted of keeping a common gaming house, a number of found-ins.

(Page 12661 follows)



and that the results of the tests
showed that this report is in regard to the fact
that the test results of the tests of the
fact, there was no evidence that the
the investigation was not correct. It seems
that there was a conviction. There had been
a trial and there had been persons convicted
of such a crime, and there was a
of found-out.

(Page 10 of 10)



BB/JNG/1

1 THE COMMISSIONER: Q. On what day?

2 A. They were convicted on April 22nd,
3 1960, my lord. The raid was on February 5th,
4 1960.

5 MR. ESTEY: Q. That report came in in
6 May, 1960. I believe there was no cancellation
7 proceedings in 1960 either?

8 A. No. I see the report was received
9 May 9th. On May 11th, 1960, I wrote to Mr.
10 Margolian:

11 "I am in receipt of a report
12 "from the Metropolitan Toronto Police
13 "relative to the above Club.

14 "I am enclosing the report and
15 "file and would appreciate it if you
16 "would look this file over and speak
17 "to me about it in the near future."

18 THE COMMISSIONER: Q. What date was that
19 letter?

20 A. That was May 11th, 1960, and
21 nothing appears to have happened. As I say,
22 my lord, as with the other one I mentioned a
23 moment ago, I have questioned different ones.
24 There are three explanations as to what
25 possibly could have happened. Nothing was
26 done in ---

27 Q. Is the charter still standing?

28 A. No, my lord. This was in 1960
29 and then when I spoke to the police in 1961,
30



THE COMMISSIONER: Q. On what day?

A. They were convicted on April 19th,

1960, my lord. The trial was on February 2nd,

MR. JUSTICE: Q. That report came in 1960?

Yes, 1960. I believe there was no cancellation

No. I see the report was received

May 2nd. On May 15th, 1960, I wrote to Mr.

"I am in receipt of a report

"from the Metropolitan Toronto Police

"relative to the above Club.

"I am enclosing the report and

"file and would appreciate it if you

"would look this file over and speak

"to me about it in the near future."

THE COMMISSIONER: Q. What date was that

A. That was May 15th, 1960, and

nothing appears to have happened. As I say,

my lord, as with the other one I mentioned a

moment ago, I have questioned different ones.

There are three explanations as to what

possibly could have happened. Nothing was

done in ---

Q. Is the character still standing?

A. No, my lord. This was in 1960

and then when I spoke to the police in 1961,



1 May, 1961, I asked the police to come in when I
2 had returned to my office and those charters
3 that were pending, I collected from the
4 Companies Office Department. This was one
5 of those, as I recall, that came up, either
6 that or pending, and it was brought to my
7 attention again by the police, and I took
8 the matters up with the Minister and on ---

9 MR. ESTEY: Q. On June 2nd, 1961?

10 A. June 2nd, 1961, I sent a notice,
11 what we call a cancellation letter, that the
12 charter would be cancelled unless cause was
13 shown.

14 Q. Then you had the hearing in
15 December, 1961, and cancelled it?

16 A. Yes. As a matter of fact, the
17 hearing was held and then there was certain
18 evidence that appeared on the hearing.
19 What we were dealing with was the Chan Social
20 Club. The club that was convicted was the
21 Fook Lee. As I say, the defence was that
22 this was the Chan. This was an unincorporated
23 club that had nothing to do with the Chan.
24 It wasn't the same name. They were operating
25 on the premises they had intended to operate
26 and on the wall had been found a copy of
27 the Chan Social Club, and the police
28 mentioned that at the trial. The man who
29 actually the charter was granted to was
30



May, 1961, I asked the police to come in when I
had returned to my office and those concerned
with the matter, I submitted them to the
Companies Office Department. This was one
of the reasons, as I recall, that they were
sent to the police, and in the meantime, I took
attention again by the police, and I took
the matter up with the Minister and on
the matter, I was not satisfied.

A. June and, 1961, I went a notice,
what we call a cancellation letter, that the
charter would be cancelled unless some was
submitted.

Q. What was the result of this?

A. Yes. As a matter of fact, the
hearing was held and then there was certain
evidence that appeared on the hearing.
What we were dealing with was the Chan Social
Club. The club that was convicted was the
Book Lee. As I say, the defence was that
this was the Chan. This was an unincorporated
club that had nothing to do with the Chan.
It wasn't the same name. They were operating
on the premises they had intended to operate
and on the wall had been found a copy of
the Chan Social Club, and the evidence
mentioned that at the trial. The man who
actually the charter was granted to



1 with undertakings in the first instance, he had,
2 when signing the receipt for money that had
3 been seized by the police, signed the receipt
4 that tied the Chan Club in with them. That
5 evidence wasn't there. I told the police
6 if you can give me that evidence -- this was
7 at the hearing. The police then later on
8 did submit that receipt and there was
9 sufficient then to tie them in.

10 THE COMMISSIONER: Q. What was the date
11 of cancellation?

12 A. December 6, 1961, my lord.

13 MR. WILSON: The witness said he would
14 give three explanations. I don't know what
15 they are but he didn't give them all. Finish
16 the answer.

17 THE WITNESS: One explanation ---

18 THE COMMISSIONER: I interrupted him.

19 THE WITNESS: One explanation -- there
20 are three possible ones, my lord.

21 THE COMMISSIONER: Q. This is for the
22 delay?

23 A. For that year's delay. One I
24 had referred to that I hadn't heard back and
25 had lost sight of it. The second was that
26 it was reported back to me and I did nothing
27 about it. The third was that I had dis-
28 cussed it with the Minister and it was
29 decided not to proceed. Those are the three
30



with understanding in the first instance, he had
been seized by the police, signed the receipts
that filed the Green Club in with them. That
evidence wasn't there. I told the police
if you can give me that evidence -- this was
at the hearing. The police then later on
did submit that receipt and there was
evidence that it was in.
THE COMMISSIONER: Q. What was the date
of cancellation?
A. December 6, 1961, my Lord.
MR. WILSON: The witness said he would
give three explanations. I don't know what
they are but he didn't give them all. Whether
the answer.
THE COMMISSIONER: Q. What was the date
of cancellation?
THE WITNESS: One explanation -- there
was a delay in the first place.
THE COMMISSIONER: Q. That is for the
delay?
A. For that year's delay. One I
had referred to that I hadn't heard back and
had lost sight of it. The second was that
it was reported back to me and I did nothing
about it. The third was that I had dis-
cussed it with the Minister and it was
decided not to proceed. There are the three



1 alternatives.

2 MR. ESTEY: Could you put before you the
3 Humber Bay Community Association?

4 THE COMMISSIONER: Where do I find it?

5 MR. ESTEY: In Appendix K.

6 MR. WILSON: K-10.

7 MR. ESTEY: Q. Have you got that file?

8 A. Yes.

9 Q. That is a 1947 incorporation?

10 A. The Humber Bay Community Association,
11 incorporated November 8th, 1947.

12 Q. It appears to have three applicants
13 living in the Township of Etobicoke. The
14 objects are the usual?

15 A. Yes, they seem to be the usual,
16 to promote social and cultural and physical
17 life in the community.

18 Q. I notice nothing happened from
19 the incorporation in 1947 until the 27th of
20 January, 1960, some thirteen years later, and
21 at that time you received the annual returns
22 for the intervening years or most of them.
23 Is that correct?

24 A. Yes, all the returns seem to have
25 come in from 1948 on on January 27th, 1960.

26 Q. Is that as a result of pressure
27 from the Department or can you tell?

28 A. I will just have a -- I could
29 have brought it to the attention or how they
30



alternatives.

Mr. ASHBY: Could you put before you the

question of community development?

Mr. ASHBY: I am not sure.

Mr. ASHBY: In the past?

Mr. ASHBY: Yes.

Mr. ASHBY: Have you got that right?

A. Yes.

Q. That is a 1944 incorporation?

A. Yes, that is a 1944 incorporation.

Q. It appears to have three applications

living in the Township of Stobson.

Q. Yes, they seem to be the usual

to promote social and cultural and physical

life in the community.

Q. I believe that is correct.

A. Yes, that is correct.

Q. The incorporation in 1944 until the 15th of

January, 1950, some fifteen years later, and

at that time you received the annual returns

for the intervening years or most of them.

Is that correct?

A. Yes, all the returns seem to have

come in from 1948 on on January 15th, 1950.

Q. Is that as a result of pressure

from the Department or can you tell?

A. I will just have a -- I could

have brought it to the attention or how they



1 came in could have been this, Mr. Estey. Under
2 the Corporations Information Act, we could
3 cancel letters patent if the corporation is
4 three years in arrears in filing annual
5 returns. We have to give registered notice
6 of proposed cancellation to the directors of
7 record and also notice published in the
8 Ontario Gazette. On January 13th, 1960, a
9 notice was sent -- registered letter was
10 sent to the directors of record who were the
11 incorporators. There were no annual returns.

12 Q. This is the incorporators,
13 William Beverley Lewis, Gair and Rowan.
14 They apparently turned up in the annual return
15 as still being officers and still being in
16 the club.

17 THE COMMISSIONER: What are the names?

18 MR. ESTEY: William Beverley Lewis,
19 Joseph Frederick Gair ---

20 THE WITNESS: These are the returns ---

21 THE COMMISSIONER: And?

22 MR. ESTEY: And Arthur Donald Rowan.

23 THE WITNESS: That was in 1960 when those
24 returns were filed. William Beverley Lewis
25 and Arthur Donald Rowan appear as the
26 directors. The third one doesn't appear.

27 MR. ESTEY: Q. You have a note concerning
28 the third one, have you not? It seems to be
29 December 10th, 1957, a reference to Mr. Gair
30



came in could have been this, Mr. Watney. Under
the Corporation Information Act, we could
general letters present if the corporation in
three years in arrears in filing annual
statements, we have the right to suspend the
or proposed cancellation to the directors or
verify the corporation's status in the
Ontario Gazette. On January 15th, 1960, a
notice was sent -- registered letter was
sent to the corporation and to the directors
independently. There was no answer from them.
Q. This is the incorporation.
Witness (reading from notes) Yes and now.
They apparently turned up in the annual return
as still being officers and still being in
the firm.
Q. The corporation was not dissolved.
MR. WATNEY: William Beverley Lewis,
largest percentage of --
THE WITNESS: There are the returns --
THE WITNESS: Yes.
Q. Yes, that's correct.
THE WITNESS: That was in 1960 when those
returns were filed. William Beverley Lewis
and Arthur Donald Brown appear as the
directors. The third one doesn't appear.
MR. WATNEY: Q. You have a note concerning
the third one, have you not? It seems to be
December 10th, 1961, a reference to Mr. Galt.



1 being dead and Mr. Rowan being in Australia?

2 A. What is that?

3 Q. I think it is December 10th, 1957,
4 a note of a telephone call.

5 THE COMMISSIONER: From whom to whom?

6 MR. ESTEY: My memorandum says Lewis
7 telephoned the Department.

8 THE WITNESS: Here it is, December 10th,
9 1957, to Mr. Spindloe --- he was our returns
10 officer at the time -- signed by Miss Dunsford
11 of the returns office:

12 "Mr. Lewis telephoned to-day for a
13 "certified copy of the record of the
14 "Charter of the Humber Bay Community
15 "Association.

16 "He said he was one of the
17 "three original incorporators and
18 "that one of the other two is dead
19 "and the third is in Australia.

20 "Apparently he wants to revive
21 "the company."

22 Apparently that explains why only two appear on
23 the return and the third didn't appear.
24 Apparently one was deceased.

25 MR. ESTEY: Q. Under the old Act,
26 wouldn't there be automatic forfeiture in
27 that ---

28 A. This was incorporated in 1947.

29 Q. And nothing done until 1960,
30



...and that was the last time he was seen.

A. What is that?

Q. That is the last time he was seen.

a note of a telephone call.

THE COMMISSIONER: From whom to whom?

Q. From the telephone to the...

telephoned the Department.

THE WITNESS: Here it is, December 10th,

1934, to Mr. Spence -- he was out...

office at the time -- signed by Miss...

of the telephone call:

"Mr. Spence telephoned to-day for a

"certified copy of the record of the

"company of the ..."

"..."

"He said he was one of the

"..."

"that one of the other two is dead

"and one third in in Australia.

"Apparently he wants to revive

"the company."

Apparently that explains why only two appear on

the return and the third didn't appear.

Apparently one was deceased.

MR. SPENCE: Q. Under the old Act,

wouldn't there be automatic forfeiture in

that --

A. This was incorporated in 1934.

Q. And nothing done until 1935.



1 apparently. Why wouldn't that be cancelled
2 when that phone call came in?

3 A. Well, it wouldn't -- a corporation,
4 Mr. Estey -- it says, "He wants to revive the
5 company". It wouldn't ---

6 Q. Did he apply for reviver?

7 A. Yes. It would only be the corporate
8 power. The corporate powers had been forfeited
9 for non-user. There was still the corporation
10 they wanted to revive.

11 THE COMMISSIONER: The corporation without
12 corporate powers?

13 A. Yes. You could have a sort of
14 shell. It has no powers except for the
15 purpose of winding up.

16 MR. ESTEY: Q. Then I will put my question
17 more clearly. As we have seen and will see
18 that again, your department has cancelled
19 charters where a forfeiture has occurred
20 under the old Act and they seek to use it again
21 without formal surrender of revival. My
22 question is: Did Mr. Lewis apply for an order
23 of revival?

24 A. No, there is no indication on the
25 file that any application was made for revival,
26 Of course, it didn't follow that they were
27 using the corporate powers. Where we have
28 cancelled is where they purported to use their
29 powers when there was nothing to indicate they
30



apparently. Why wouldn't that be cancelled

and then come back and

A. Well, it would be a

Mr. Ealey -- it says, "He wants to revive the

company. It would be --

Q. Did he apply for revival?

A. Yes. It would only be the corporate

power. The corporate power had been forfeited

for non-use. There was still the corporation

that would be revived.

THE COMMISSIONER: The corporation without

corporate power.

A. Yes. You could have a sort of

shell. It has no power except for the

purpose of winding up.

Q. Now, if I will understand you

more clearly. As we have seen and will see

that under the old act and they seek to have it

under the old act and they seek to have it

under the old act and they seek to have it

under the old act and they seek to have it

question is: Did Mr. Lewis apply for an order

of revival?

A. No, therefore no indication on the

file that any application was made for revival.

Of course, it didn't follow that they were

using the corporate powers. Where we have

cancelled in where they purposed to use their

powers that they were not using them.



1 were using their powers. As far as filing annual
2 returns, a corporation is required to file
3 returns even although powers are forfeited.

4 Q. In any event, we have a notice
5 in 1957 that they wanted to surrender the
6 charter again and he didn't apply for revival
7 and you didn't hold a hearing to establish
8 whether or not he had, in fact, revived the
9 charter. Is that correct?

10 A. I don't think there would be any
11 need just on a call of that nature. He says
12 he wants to revive the charter. That
13 sometimes happens. Corporate powers are
14 forfeited and people apply for revival. It
15 may have sat dormant for some years and
16 want to come into operation again. There
17 was nothing to indicate they were carrying on.

18 Q. We are coming ~~six~~ to something
19 else in this file I wanted to find out. How
20 could they hold a meeting with only one man?
21 How could that company resume? There is
22 no quorum?

23 A. No. They would have to have two
24 for a quorum.

25 Q. One is in Australia and one is
26 further away. How could they operate this
27 company?

28 A. Unless the one comes back from
29 Australia.
30



...the ...
 ...
 ...even although powers are forfeited.

Q. In any event, we have a notice

in 1971 that ...
 ...and you didn't hold a meeting to establish
 whether or not he had, in fact, revived the
 ...

A. I only think ...
 need just on a call of that nature. He says
 he wants to revive the chapter. That

...
 ...and people apply for revival. It
 may have not dormant for some years and

want to come into operation again. There
 ...
 Q. We are coming back to something

else in this life I wanted to find out. How
 could they hold a meeting with only one man?
 How could that company recover? There is

no dormant

A. No. They would have to have two
 for a quorum.

Q. One is in Australia and one is

...
 ...

...

A. Unless the one comes back from

...



1 Q. He couldn't give a proxy, not in
2 this company?

3 A. Yes, he could give a proxy in 1957.

4 Q. He could give a proxy in 1957 but
5 he couldn't have given one in 1953?

6 A. No.

7 Q. That is because of the change in
8 your rules?

9 A. Changes in the Act.

10 Q. We don't know what he did, do we?
11 Then I notice the annual returns came in
12 rather fitfully and finally on December 7th,
13 1961, there is a letter from Frank Klein to
14 you, advising ---

15 THE COMMISSIONER: What date?

16 MR. ESTEY: December 7th, 1961 ---

17 Q. Advising that they couldn't find
18 the corporate books?

19 A. Yes.

20 Q. Is that correct?

21 A. Yes. He says:

22 "Unfortunately, I have been unable
23 "to locate the books and records and
24 "thus cannot forward them to you."

25 I think I had asked for the returns. On
26 December 4th, 1961, I wrote to the Humber Bay
27 Community Association asking for a return,
28 to produce all the minutes, books, records,
29 books of account, list of all the directors,
30



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Q. He couldn't give a proxy, not in

A. Yes, he could give a proxy in 1907.

Q. He could give a proxy in 1907 but

he couldn't have given one in 1907?

A. No.

Q. That in absence of the change in

your rules?

A. Yes, in 1907.

Q. We don't know what he did, do we?

rather finally and finally on December 4th,

Q. Admitting that they couldn't find

A. Yes.

A. Yes. He says:

"Unfortunately, I have been unable

"to locate the books and records and

"then cannot forward them to you."

I think I had asked for the records. On

December 4th, 1901, I wrote to the Hummer Bay

Community Association asking for a return,

to produce all the minutes, books, records,

books of account, list of all the directors,



1 and so on. This was in reply to that.

2 Q. Now, dealing with the procedure
3 leading up to cancellation, I see a letter of
4 February 5th, 1960, from Mr. Murphy to you.
5 I don't know who Mr. Murphy is.

6 A. Mr. Murphy is a supervisor, one
7 of the supervisors in our companies returns
8 office.

9 Q. It says:

10 "Returns have now been submitted
11 "for the years 1948 to . . ." --
12 I suppose it is 1960 --
13 " . . . inclusive."

14 Is that what it says?

15 A. He says:

16 "Returns have now been submitted
17 "for the years 1948 to 1959 inclusive
18 "together with an overpayment of \$5.00
19 "filing fees."

20 The returns seem to be right up -- no, up to 1960.
21 They came -- I'm sorry. He was writing in
22 February, 1960, and the returns came in later.
23 1948 to 1959; he was right.

24 Q. He goes on to say:

25 "Mr. W.B. Lewis, M.L.A., is a director
26 "of the Association."

27 That, I take it, he got from the annual returns?
28

29 A. William Beverley Lewis appears as ---

30 Q. M.L.A.; I suppose he means Member



and so on. This was in reply to that.

Q. Now, dealing with the procedure

leading up to cancellation, I see a letter of

transmittal, dated, from the, dated in 1950.

I don't see any other letter in

A. Mr. Murphy is a supervisor, one

of the supervisors in our companies returns

office.

Q. Is that

"Returns have now been submitted

"for the years 1949 to . . ."

I assume it is --

" . . . inclusive."

In that what the agency

A. He says:

"Returns have now been submitted

"for the years 1949 to 1953 inclusive

"together with an overpayment of \$5.00

" . . ."

The returns seem to be right up -- no, up to 1950.

They say -- " . . ."

February, 1950, and the returns came in later.

1949 to 1953; he was right.

" . . ."

" . . ."

"of the Association."

That, I take it, he got from the annual returns?

A. William Beverley Lewis appears as --

A. W.L.A.; I suppose he means Lewis



1 of the Provincial House.

2 THE COMMISSIONER: Q. Who certified the
3 annual returns?

4 A. This return is taken by S. Bloomberg,
5 my lord.

6 MR. ESTEY: Q. Which return is that?

7 A. That is the 1959 return, March 31st,
8 1959, S. Bloomberg.

9 Q. Does he sign as director?

10 A. Yes. He says, "I, Sidney Bloomberg,
11 Director of Humber Bay . . . "

12 THE COMMISSIONER: Q. That is 1959. Who
13 certified as to the others? They all came in
14 in a bundle?

15 A. They all seem to be certified by
16 Sidney Bloomberg, my lord, as a director.

17 MR. ESTEY: Q. Would you look at the
18 earliest one, 1948, as of March 31st, 1948?
19 Will you tell us who the officers were as of
20 that?

21 A. Frederick Joseph Gair, William
22 Beverley Lewis, and Arthur Donald Rowan.

23 Q. That is a certificate at that
24 time. There was an affidavit. Who swore
25 the affidavit?

26 A. The affidavit sworn by Sidney
27 Bloomberg as director.

28 Q. That would be sworn in 1959 or 1960?

29 A. Yes. I am sorry, it was January, 1960.
30



in the following manner:

THE COMMISSIONER: U. S. GOVERNMENT

Annual Report

A. This return is taken by S. Bloomberg.

my lord.

MR. BLOMBERG: I would state in fact

A. That in the 1939 return, March 31st,

1939, S. Bloomberg.

Q. Does he sign as director?

A. Yes, in fact, (S. Bloomberg)

Director of Harbor Bay . . . "

THE COMMISSIONER: Q. That is 1939. Who

certified as to the others? They all came in

in a bundle?

A. They all seem to be certified by

Sidney Bloomberg, my lord, as a director.

MR. BLOMBERG: Q. Would you look at the

earliest one, 1940, as of March 31st, 1940?

Will you tell us who the officers were as of

1940?

A. In March 1940, 1940, 1940.

Everley Lewis, and Arthur Donald Brown.

Q. That is a certificate as to

that? Yes, my lord, as to that.

the affidavit?

A. The affidavit sworn by Sidney

Bloomberg as director.

Q. That would be sworn in 1939 or 1940?

A. Yes, I am sorry, it was January, 1940.



BB/3

1 Q. To round that off, when does he
2 first appear in one of the returns as a
3 director?

4 A. He doesn't seem to appear in any
5 returns as a director.

6 Q. I wondered. My notes, which I
7 may be wrong, don't show him as a director
8 either.

9 A. The directors down to 1960 seem
10 to be the three, or two of the originals.
11 Then they are ---

12 Q. Then they are changed in 1960?

13 A. 1960 and 1961 is Frank Colacci,
14 Frank Klein and David Downs, March 31st, 1961.

15 THE COMMISSIONER: Q. Just a moment.
16 You are going too quickly for me to digest
17 all this. On February 5th, 1960, or by
18 February 5th, 1960, the returns for 1948
19 to 1959 were all submitted in a bundle?

20 A. Yes, that is right, my lord.

21 Q. And Bloomberg certified to their
22 correctness?

23 A. That is Sidney Bloomberg as a
24 director.

25 Q. Yet the returns to which he was
26 certifying show that he wasn't a director?

27 A. Yes.

28 Q. Am I not right?

29 A. Yes, that is correct, except I might
30



To find that out, when does he

[illegible]

It doesn't seem to appear in any

...as an auditor

Q. I wondered, my novel, which I

may be wrong, don't show him as a director

4. The director down to 1900 years

to be five three, or two of the originals.

— THE WORLD SENT

1960-1961

Walter Keesen and David Brown, March 31st, 1901.

You are being too quick to judge me to others

1911-1912. On February 25th, 1900, or 1901.

as 1959 were all admitted in a hurry.

YOU CAN'T GET IT ANY MORE



1 say this; that these were back returns. The
2 people who were present at the time, in 1952,
3 wouldn't certify them. It would be the man
4 who was a director at the time. These were
5 arrears of returns.

6 Q. But they were returns for specific
7 years?

8 A. Yes.

9 Q. And for each of those specific
10 years, in each of those returns for specific
11 years, Bloomberg was not shown as a director
12 for that year?

13 A. No.

14 Q. But he signs the certificate as
15 though he was a director?

16 A. Well, my lord ---

17 Q. I can't quite grasp that.

18 A. You see, if a company has not
19 filed returns, say, since 1940, and they
20 are filing returns from 1940 to 1959, the
21 president in 1942 isn't required to certify
22 the return for 1942. It is the present
23 president or director who would certify, say,
24 1940 to 1959, and in 1960 the returns are
25 being filed, it would be the present director
26 in 1960 who would certify.

27 Q. Who would be certifying for returns
28 for earlier years?

29 A. Yes, but he doesn't appear again
30



any this; that there were back returns. The people who were present at the time, in 1952, wouldn't certify them. It would be the man who was a director at the time. There were

Q. But they were returns for specific

A. Yes.

years, in each of those returns for specific years, Bloomberg was not shown as a director

A. No.

Q. But he signs the certificates as

A. Well, my lord --

Q. I can't quite grasp that.

A. You see, if a company has not

filed returns, say, since 1940, and they are filing returns from 1940 to 1952, the president in 1952 isn't required to certify the return for 1942. It is the present president of the company who would certify, say, 1940 to 1952, and in 1950 the returns are being filed, it would be the present director in 1950 who would certify.

Q. Who would be certifying for returns

for earlier years?

A. Yes, but he doesn't appear again



1 in the two subsequent years.

2 Q. Only the year in which he certifies?

3 A. No.

4 Q. But he certifies as director?

5 A. Yes.

6 Q. I follow it up to that point.

7 MR. ESTEY: Q. Now ---

8 THE COMMISSIONER: You say Downs' name
9 crops up at some stage. It was at that
10 point I lost you.

11 MR. ESTEY: I was trying to clarify what
12 your lordship just talked about. I notice
13 when Bloomberg certifies -- Bloomberg swears
14 this affidavit that those facts were true
15 in those years, those are affidavits.

16 THE COMMISSIONER: Yes, not all of them.

17 MR. ESTEY: No, up to, I think ---

18 THE COMMISSIONER: Up to 1950 ---

19 THE WITNESS: No, he takes it up to 1959
20 or 1960.

21 THE COMMISSIONER: Q. No, but the earlier
22 return, it had to be an affidavit?

23 A. Yes.

24 Q. And later certificates?

25 A. Yes. He takes ---

26 MR. ESTEY: Q. The other feature of
27 that same subject I would like to ask you
28 about is: I notice immediately after you
29 received those returns, you received a report
30



Q. Now, did you see any of these people?

A. No.

Q. Yes.

MR. KETBY: Q. Now --

THE COMMISSIONER: You say Downey had

crossed up at some stage. It was at that

time I saw him.

MR. KETBY: I was trying to clarify what

your lordship just talked about. I notice

some of the evidence --

this affidavit that those facts were true

in some cases, some of the affidavits.

THE COMMISSIONER: Yes, not all of them.

MR. KETBY: No, up to, I think --

THE COMMISSIONER: Up to 1930 --

THE WITNESS: No, he takes it up to 1932

or 1930.

THE COMMISSIONER: Q. No, but the earlier

return, it had to be an affidavit?

A. Yes.

Q. And later convictions?

A. Yes.

MR. KETBY: Q. The other feature of

that same subject I would like to ask you

about is: I notice immediately after you

received these returns, the Attorney General



1 from one of the 1961 directors saying they could
2 not find the records. I am wondering how
3 the returns were completed if the company
4 had no minute books and what action was taken.

5 THE COMMISSIONER: I followed you up to
6 the 1959 returns submitted. Now, take it
7 chronologically from that point forward.

8 MR. ESTEY: They were submitted on the
9 27th of January, 1960, Mr. Commissioner.

10 THE COMMISSIONER: Just a moment. In
11 the report from Murphy to Gudney, that was
12 on what date?

13 MR. ESTEY: The 5th of February, 1960.

14 THE COMMISSIONER: That is the date of
15 the letter from Murphy to Gudney. It was
16 on some earlier date those returns had been
17 filed. What is that date?

18 MR. ESTEY: The 27th of January, 1960.

19 Q. Is that correct?

20 A. The 27th of January, 1960, yes.

21 THE COMMISSIONER: All right, carry it
22 forward chronologically from January 27th
23 or February 5th -- it doesn't matter -- 1960,
24 and I will be able to follow it easier, giving
25 me the dates of subsequent events in
26 chronological order.

27 MR. ESTEY: Q. There are two files. I
28 will put the two together. The next date, I
29 believe, after the 27th of January, 1960, which
30



... of the ...
...
...
... had no minute books and what action was taken.
THE COMMISSIONER: I followed you up to
the 1930 returns submitted. Now, take it
chronologically from that point forward.
MR. EATY: They were submitted on the
...
...
the report from Murphy to Gurney, that was
...
...
...
THE COMMISSIONER: That is the date of
the letter from Murphy to Gurney. It was
on some earlier date those returns had been
filed. What is that date?
MR. EATY: The 25th of January, 1930.
Q. Is that correct?
A. The 25th of January, 1930, yes.
THE COMMISSIONER: All right, early in
...
... of February 5th -- it doesn't matter -- 1930,
and I will be able to follow it easier, giving
me the dates of subsequent events in
...
...
... believe, after the 25th of January, 1930, when



1 is significant, is the 5th of February, 1960,
2 which you have already told us about, Mr.
3 Murphy to you, Mr. Cudney.

4 A. The 5th of February, 1960.

5 Q. And it mentions that -- I take it
6 it mentions that Mr. Lewis has filed those
7 returns. It identifies the man who filed
8 them?

9 A. It says, "Mr. Lewis, M.L.A., is
10 a director of the Association." I don't know
11 who filed the returns.

12 Q. I have a note. I have three
13 entries for January 27, 1960, stating on that
14 date the returns were filed in two batches
15 by Mr. Lewis.

16 A. I see here there is a covering
17 letter from Henry M. Finkle, Barrister, Toronto:

18 "I enclose, relative to the above
19 "mentioned corporation, Humber Bay
20 "Community Association, I enclose
21 "herewith annual returns for the
22 "years 1948 to 1959 inclusive."
23 Apparently they were sent by Mr. Finkle.

24 Q. The next date is February 5th.
25 The next date I have in the sequence of events
26 is the 26th of October, 1961.

27 THE COMMISSIONER: What is it?

28 MR. ESTEY: This is the filing of the
29 annual returns as of March 31st, 1960.
30



is significant, is the fact of February, 1900,

which you have already told us about, Mr.

...

A. The fact of February, 1900,

Q. And it mentions that -- I take it

it mentions that Mr. Lewis has filed those

returns. It identifies the man who filed

them?

A. It says, "Mr. Lewis, H.A.A., in

a director of the Association." I don't know

who filed the returns.

Q. I have a note. I have three

entries for January 27, 1900, stating on that

date the returns were filed in two batches

by Mr. Lewis.

A. I see here there is a covering

letter from Henry M. Winkler, Barrister, Toronto;

"I enclose, relative to the above

...

...

...

"from 1900 to 1903 inclusive."

...

Q. The next date is February 20,

The next date I have in the sequence of events

is the 20th of October, 1901.

THE COMMISSIONER: What is it?

MR. WINKLER: This is the filing of the

annual returns as of March 31st, 1900.



1 Q. Can you find that letter?

2 A. What was the date?

3 THE COMMISSIONER: The return for -- ?

4 MR. ESTEY: 1960.

5 THE COMMISSIONER: Yes, the returns for
6 1960.

7 Q. Can you find that?

8 MR. ESTEY: The date of the letter is the
9 26th of October, 1961.

10 THE WITNESS: The 26th of October? It
11 is a letter October ---

12 THE COMMISSIONER: October 26th, 1961.

13 MR. ESTEY: It has the annual return
14 attached to it. You might try to find the
15 annual return.

16 THE COMMISSIONER: There is a letter of
17 October 27th, 1960.

18 MR. ESTEY: Not 1960.

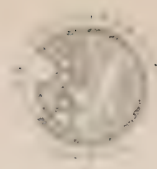
19 THE WITNESS: 1961, October 27th, 1961.
20 I think there is a letter.

21 THE COMMISSIONER: Q. What is that
22 letter? Take them one at a time.

23 A. This is a letter to the Humber Bay
24 Community Association over my signature per
25 H.H. Ozolins:

26 "We are enclosing herewith the
27 "1960 and 1961 annual returns for
28 "your further attention.

29 "Item F(111) of the 1961 annual
30



Q. Can you find that letter?

THE COMMISSIONER: The return for -- ?

THE COMMISSIONER: Yes, the return for

Q. Can you find that?

MR. WATKINS: The date of the letter is the

20th of October, 1901.

THE WITNESS: The 20th of October? Is

is a letter October --

THE COMMISSIONER: Please state, Mr. Watkins,

MR. WATKINS: It has the annual return

attached to it. You might try to find the

annual return.

THE COMMISSIONER: There is a letter of

October 20th, 1901.

MR. WATKINS: Not 1900.

THE WITNESS: Yes, October 20th, 1901.

I think there is a letter.

THE COMMISSIONER: Q. What is that

letter? Take them one at a time.

A. This is a letter to the Harbor Bay

Community Association over my signature per

W. H. Watkins:

"We are enclosing herewith the

"1900 and 1901 annual returns for

"The Harbor Association.

"I enclose (all) of the 1901 annual



1 "return to be deleted as it is not
2 "applicable.

3 "Certificate No. 1 of the 1960
4 "and 1961 annual returns to be
5 "completed to show the date in full,
6 "giving the day as well as the month
7 "and year.

8 "Kindly re-submit the amended
9 "returns to this Department at your
10 "earliest convenience and amend your
11 "office copies.

12 "It is noted from the above
13 "mentioned annual returns that the
14 "corporation has not held an annual
15 "meeting since November 23rd, 1959,
16 "and in this regard we would draw
17 "your attention to Section 306 of
18 "the Corporations Act which provides
19 "that every corporation shall hold
20 "an annual meeting of its shareholders
21 "or members not more than fifteen
22 "months after the holding of the
23 "last preceding annual meeting."

24 Was that the letter?

25 Q. No. And I am guessing. Mr.
26 Estey can correct me if my guess is wrong.
27 On October 26th, the returns for 1960 were
28 filed with your department and then on
29 October 27th, 1961, you were returning them
30



"return to be deleted as it is not

"Certificate No. 1 of the 1950

"and 1951 annual returns to be

"deleted as they are not in full

"giving the day as well as the month

"and year.

"The returns for 1950 and 1951

"return to this Department at your

"office and the returns for 1952 and 1953

"will be returned.

"It is noted from the above

"that the returns for 1950 and 1951

"corporation has not held an annual

"meeting since November 22nd, 1953.

"and in this regard we would draw

"your attention to Section 306 of

"the Corporation Act which provides

"that every corporation shall hold

"an annual meeting or an shareholders

"or members not more than fifteen

"months after the holding of the

"annual meeting.

Was this the return?

Q. No. And I am guessing, Mr.

Wiley can correct me if I am wrong.

On October 25th, the returns for 1950 were

filed with your department and then on

October 25th, 1954, you were returning them



1 for further consideration?

2 A. Yes. I see on October 25th, 1961,
3 the returns were filed.

4 Q. The 25th?

5 A. Yes, that is right, and October 27th
6 they were sent back.

7 Q. You sent them back?

8 A. Yes.

9 MR. ESTEY: While you have the returns ---

10 THE COMMISSIONER: Q. That was the
11 return for 1960?

12 A. For 1961.

13 Q. No, no.

14 MR. ESTEY: Wait a minute.

15 THE COMMISSIONER: We haven't got it for
16 1960 yet.

17 THE WITNESS: I am sorry, 1960 and 1961.
18 They both came in the same day.

19 THE COMMISSIONER: Q. On October 27th,
20 1961, those two annual returns were sent back?

21 A. Yes.

22 MR. ESTEY: Those annual returns ---

23 THE COMMISSIONER: Just a moment.

24 Q. From whom were the 1960 and 1961
25 returns received? What individual? You
26 sent your letter of October 27th, 1961, to
27 whom?

28 A. It was addressed to the Humber
29 Bay Community Association.
30



For further information...

A. Yes. I see on October 25th, 1961.

Are there any other...

A. Yes, that is right, and October 25th.

They were sent back.

A. Yes, that is correct.

A. Yes.

MR. BERRY: While you have the returns --

THE COMMISSIONER: Q. That was the

return...

A. Yes, that is right.

Q. No, no.

MR. BERRY: That is correct.

THE COMMISSIONER: We haven't got it for

that year.

THE WITNESS: I am sorry, 1960 and 1961.

They both came in the same day.

THE COMMISSIONER: All right, that is right.

1961, those two annual returns were sent back.

A. Yes.

MR. BERRY: Those annual returns --

THE COMMISSIONER: That is correct.

Q. From whom were the 1960 and 1961

returns received? Was it from the...

from the... of the...

Whom?

A. From the...

Bay Community Association.



1 Q. That is to the corporation?

2 A. Yes.

3 Q. Who certified the returns for 1960
4 and 1961?

5 A. The 1960 return is certified by
6 F.A. Colacci, Frank A. Colacci. There is
7 another "L". He signs it with one "L" as
8 president of the association.

9 Q. And who certified the 1961 return?

10 A. The 1961 is also certified by
11 F.A. Colacci, President.

12 Q. Do those returns show him as a
13 director?

14 A. Those returns show him as a director
15 and president, my lord.

16 Q. All right. Now then, getting
17 matters in their chronological order ---

18 MR. ESTEY: Perhaps it would be a convenient
19 time ---

20 THE COMMISSIONER: What is the next event
21 chronologically?

22 MR. ESTEY: Your lordship asked a moment
23 ago when Downs first appeared.

24 THE COMMISSIONER: Never mind that. What
25 is the next event chronologically?

26 MR. ESTEY: Q. The next event chronologically
27 in my record is the 23rd of November, 1961.
28 It is a letter from Colacci to the Provincial
29 Secretary announcing his resignation?
30



Q. That is for the corporation?

Q. Who certified the returns for 1900

and 1901?

A. The 1900 return is certified by

R. A. Golsart, Frank A. Golsart. There is

another "L". He signs it with one "L" as

president of the association.

Q. And who certified the 1901 return?

A. The 1901 is also certified by

R. A. Golsart, Frank A. Golsart.

Q. Do those returns show him as a

director?

A. Those returns show him as a director

and president, in 1901.

Q. All right. Now then, getting

back to their chronological order ---

MR. SMITH: Perhaps it would be a convenient

time ---

THE COMMISSIONER: What is the next event

chronologically?

MR. SMITH: Your lordship asked a moment

ago when Brown first appeared.

THE COMMISSIONER: Never mind that. What

is the next event chronologically?

MR. SMITH: Q. The next event chronologically

in my record is the 23rd of November, 1901.

It is a letter from Golsart to the Provincial

Secretary announcing his resignation?



1 A. That is correct.

2 THE COMMISSIONER: Q. What form does it
3 take?

4 A. It is a letter, my lord, addressed
5 to the Ontario Provincial Secretary, dated
6 November 23rd, 1961;

7 "I wish to inform you that I
8 "have resigned my position as President
9 "of the Humber Bay Community
10 "Association as of November 10, 1961.

11 "I would appreciate it if all
12 "documents with my name on them would
13 "be changed.

14 "Thank you again, I remain,
15 "Yours Truly, Frank Anthony Colacci."

16 Q. Could be changed?

17 A. Yes. It wouldn't be possible, my
18 lord.

19 Q. All right, that is the next event
20 chronologically. What is the next one?

21 MR. ESTEY: The next one chronologically --
22 I am sorry, my lord. I should have had one
23 three days earlier than that, on the 4th of
24 December.

25 THE COMMISSIONER: December?

26 MR. ESTEY: Yes, the 7th of December.

27 THE COMMISSIONER: Please, Mr. Estey.
28 That letter we are talking about is dated
29 November 23rd.
30



THE COMMISSIONER

THE COMMISSIONER: Q. What form does it

take?

A. It is a letter, my lord, addressed

to the Ontario Provincial Secretary, dated

November 29th, 1901:

"I wish to inform you that I

"have resigned my position as President

"of the Ontario Provincial Secretary

"Association as of November 10, 1901.

"I would appreciate it if all

"documents with reference to this matter

"be changed.

"Thank you again, I remain,

"Your obedient servant, William Henry

Q. Could be changed?

A. Yes. It wouldn't be possible, my

lord.

A. All right, that is the next event

chronologically. What is the next one?

MR. JUSTICE: The next one chronologically --

I am sorry, my lord. I should have had one

three days earlier than that, on the 4th of

November.

THE COMMISSIONER: That is correct.

MR. JUSTICE: Yes, the 4th of November.

THE COMMISSIONER: That is correct.

That letter we are talking about is dated

November 29th.



1 MR. ESTEY: All right, the 4th of December,
2 1961.

3 THE COMMISSIONER: What is that?

4 MR. ESTEY: That will be on your "O" file.
5 That is a letter from Mr. Cudney to the
6 Association.

7 THE WITNESS: A letter dated December 4th,
8 1961, written by myself to the Association
9 requiring the special return on or before
10 December 8th. This return had to consider
11 all the minutes and books, records, documents,
12 lists of directors, and so on.

13 THE COMMISSIONER: Just a moment. All
14 right. What is the next event?

15 MR. ESTEY: Q. The next event is a
16 memorandum from Mr. Cudney to Mr. Yaremko on
17 the 6th of December, 1961?

18 A. Yes.

19 Q. On your "O" file?

20 A. Yes, I have it. Will I read it?

21 Q. Read that one.

22 A. December 6, 1961, addressed to the
23 Hon. John Yaremko from myself:

24 "Re: The Humber Bay Community Association.

25 "I refer to our conversation of

26 "Monday relative to the above cor-

27 "poration, incorporated under the

28 "Ontario Companies Act by letters

29 "patent dated November 8, 1947. I
30



MR. NASTY: All right, the 4th of December,

1961.

THE COMMISSIONER: What is that?

MR. NASTY: That will be on your "O" file.

That is a letter from Mr. Gaudy to the

Commissioner.

THE WITNESS: A letter dated December 4th,

1961, written by myself to the Association

regarding the special return on or before

December 8th. This return had no consideration

all the minutes and books, records, documents,

lack of disclosure, and so on.

THE COMMISSIONER: Just a moment. All

right. That is the next event?

MR. NASTY: -Q. The next event is a

memorandum from Mr. Gaudy to Mr. Yarnall on

the 6th of December, 1961?

A. Yes.

Q. On your "O" file?

A. Yes, I have it. Will I read it?

Q. Read that one.

A. December 6, 1961, addressed to the

Commissioner, from Mr. Gaudy:

"I refer to our conversation on

Monday relative to the above

mentioned items, and

Ontario Companies Act by Letters

"Patent dated November 8, 1961. I



1 "am attaching hereto the files which we
2 "went over, in your office.

3 "You will note that the corporation
4 "did not file annual returns from 1947
5 "until cancellation proceedings were
6 "started to cancel the charter in 1959.
7 "At that time the annual returns were
8 "filed giving the names of the
9 "original incorporators as the
10 "directors. In such returns there
11 "was no change in the original applicant
12 "and no change of address and
13 "accordingly there was nothing at
14 "that point to arouse suspicion.

15 "I forward a memorandum, which
16 "you saw on Monday, to the companies
17 "returns office to bring to my
18 "attention the 1960 returns when
19 "they were filed in the event there
20 "would be a change of personnel.
21 "From the file it appears that the
22 "1960 and 1961 returns were filed
23 "but were sent back for amendment.

24 "I got in touch with the
25 "morality squad of the Toronto
26 "Metropolitan Police by telephone
27 "on Monday. Inspector Thurston
28 "was not in the office but I spoke
29 "to Sergeant Wilson, who has been
30



"an attached hereto the filed which re

"went over, in your office.

"did not file annual returns from 1941

"started to cancel the charter in 1942.

"filed giving the names of the

"directors. In each return there

"was no change in the original signature

"accordingly there was nothing at

"that point to arouse suspicion.

"you saw on Monday, to the companies

"returns office to bring to my

"attention the 1940 return when

"they were filed in the event there

"would be a change of personnel.

"From the time it appears that the

"but were sent back for amendment.

"I got in touch with the

"morally head of the Toronto

"Metropolitan Police by telephone

"was not in the office but I spoke

"to Sergeant Wilson, who has been



1 "conducting an investigation.

2 "Sergeant Wilson advised that the

3 "club had been operating since October

4 "at 456 Spadina Avenue and that

5 "certain of the members had records.

6 "He said that the Metropolitan Police

7 "were investigating the club. I

8 "asked him to send me a report;

9 "he said he hadn't completed the

10 "investigation and it may be a few

11 "days but they would report to me

12 "as soon as the investigation was

13 "complete. As you know, we had not

14 "received any report from the police

15 "in respect to this club. On

16 "December 4th I required the

17 "club to make a special return;

18 "copy of my letter is attached.

19 "I say that there appears

20 "to be three grounds for cancellation

21 "of the charter of this club, namely:-

22 "1. The operation after the

23 "forfeiture of corporate powers (it

24 "is understood that the club never

25 "even organized and never carried

26 "on operations).

27 "2. The letters patent of the

28 "club provided that the undertaking

29 "be carried on in the community of

30



"I am not sure if I have mentioned this or not."
"Sergeant Wilson advised that the
"club had been operating since October
"at 450 Spadina Avenue and that
"certain of the members had records."
"He said that the Metropolitan Police
"were investigating the club."
"I asked him to send me a report;
"he said he hadn't completed the
"investigation and it may be a few
"days but they would report to me
"as soon as the investigation was
"complete. As you know, we had not
"received any report from the police
"in respect to this club. On
"December 4th I received the
"club to make a special return;
"copy of my letter is attached.
"I say that there appears
"to be three grounds for cancellation
"of the charter of this club, namely:-
"1. The operation after the
"forfeiture of corporate powers (it
"is understood that the club never
"even organized and never carried
"on operations).
"2. The letters patent of the
"club provided that the undertaking
"be carried on in the community of

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1 "Humber Bay and vicinity in the Township
2 "of Etobicoke -- the club is now
3 "operating on Spadina Avenue.

4 "3. It appears to have moved to
5 "Spadina Avenue in October, 1961, and
6 "as the consent of the Provincial
7 "Secretary was not obtained the club
8 "has contravened the provisions of
9 "its charter.

10 "Do you wish me to await the
11 "police report before taking any
12 "proceedings or to write the cancellation
13 "letter forthwith?"

14 THE COMMISSIDNER: You haven't yet come
15 to this man Downs you mentioned amoment ago.

16 MR. ESTEY: We have gone past that, my
17 lord. I tried to interrupt you. I thought
18 your lordship wanted to carry on with it
19 chronologically, I took it.

20 THE COMMISSIONER: Chronologically we
21 haven't got up to him yet.

22 MR. ESTEY: He was named. He didn't
23 write the letter or he doesn't appear that way,
24 but he was named as a director in the 1960
25 annual return.

26 THE WITNESS: 1960.

27 MR. ESTEY: Filed on the 25th of October,
28 1961.

29 THE COMMISSIONER: Oh! Who were the
30



"I am not at all sure of the facts."

"of Brooks -- the club is now"

"the club is now"

"3. It appears to have moved to"

"Spadina Avenue in October, 1901, and"

"as the consent of the provincial"

"Secretary was not obtained the club"

"the provincial Secretary"

"the character."

"Do you wish me to await the"

"proceedings or to write the cancellation"

"proceedings or to write the cancellation"

"proceedings or to write the cancellation"

THE COMMISSIONER: You haven't yet come

to this man Downes you mentioned somewhat ago.

MR. WATKIN: We have some papers there, my

lord. I will be glad to show them to you.

Your lordship wanted to carry on with it

proceedings, I am sure.

THE COMMISSIONER: I am sure.

proceedings, I am sure.

MR. WATKIN: He was named. He didn't

write the letter or he doesn't appear that way.

but he was named as a director in the 1900

annual report.

THE COMMISSIONER: I am sure.

MR. WATKIN: Filed on the 25th of October.

1901.

THE COMMISSIONER: I am sure.



1 directors? Colacci was president. Who were
2 the other directors?

3 MR. ESTEY: Collaci, Klein and David Downs,
4 three of them.

5 THE WITNESS: That was both 1960 and 1961.

6 MR. ESTEY: Yes.

7 THE COMMISSIONER: Can we continue in the
8 chronological order?

9 MR. ESTEY: Yes, sir.

10 Q. Now, Mr. Cudney, the last date that
11 you gave me was the 6th of December, 1961, a
12 memorandum. The next event is the following
13 day, the 7th of December, 1961. It is on
14 your "C" file.

15 A. What was the date?

16 A. The 7th of December, 1961.

17 THE COMMISSIONER: What is it?

18 THE WITNESS: The 7th of December, 1961.

19 MR. ESTEY: That is a letter from Frank
20 Klein to Mr. Cudney.

21 THE WITNESS: Yes. Do you wish me to
22 read it?

23 THE COMMISSIONER: Yes.

24 THE WITNESS (Reads):

25 "Toronto, December 7th, 1961.

26 "Deputy Provincial Secretary, Toronto.

27 "Dear Sir:

28 "As secretary of the Humber Bay

29 "Community Association may I reply to
30



... ..

... ..

MR. KELLEY: Gollinet, Nelson and David Brown,

... ..

THE WITNESS: That was both 1960 and 1961.

MR. KELLEY: Yes.

THE COMMISSIONER: Can we continue in the

... ..

MR. KELLEY: Yes, sir.

Q. Now, Mr. Gudney, the last date that

you gave me was the 6th of December, 1961, a

memorandum. The next event in the following

day, the 7th of December, 1961. It is on

... ..

A.

A. The 7th of December, 1961.

THE COMMISSIONER: That is for

THE WITNESS: The 7th of December, 1961.

MR. KELLEY: That is a letter from Nelson

... ..

THE WITNESS: Yes. Do you wish me to

... ..

THE WITNESS: Yes.

THE WITNESS (reads):

... ..

... ..

... ..

"An secretary of the"

"Community Association may I tell you



1 "your letter of December 4th, 1961,
2 "addressed to this Association.

3 "1. Unfortunately, I have been
4 "unable to locate books and records
5 "and thus cannot forward them to you.

6 "2. The directors were those shown
7 "in the annual returns as far as I
8 "know. I understand that W.B. Lewis
9 "and A.D. Rowan were directors from
10 "November, 1947, to some time in
11 "1959. Since the end of 1959 the
12 "directors are: Frank Colacci, David
13 "Downs, and myself.

14 "3. The answer to (2) applies to
15 "this. The same people were and are
16 "the directors.

17 "Yours truly, Frank Klein,
18 "659 Spadina Avenue, Toronto."

19 THE COMMISSIONER: Q. I didn't get the
20 answer to Question 2. He said the books
21 couldn't be found and then what?

22 A. He said:

23 "The directors were those as
24 "shown in the annual returns so far
25 "as I know. I understand that W.B.
26 "Lewis and A.D. Rowan were directors
27 "from November, 1947, to some time
28 "in 1959. Since the end of 1959
29 "the directors are: Frank Colacci,
30



...and the other side of the mountain...

in the amount of \$100.00

"Now I understand what W.E. Lewis

"and A.A. Jones were directors from

"November, 1941, to some time in

303515 NEW YORK, U.S.A. DR. HENRI



1 "David Downs, and myself."

2 This was in reply to the special return.

3 Q. Yes.

4 MR. ESTEY: Q. If I may, before finishing
5 the last chronological item, ask Mr. Cudney
6 to make certain of this. That letter from
7 Klein which you have just read comes in to
8 you after the letter from Colacci wherein
9 Colacci resigned as president. Klein says
10 he is still a director and, I suppose,
11 president of the club?

12 A. Klein's letter is dated December 7th,
13 December 7th, 1961, and it is received by me
14 on December 11th, 1961.

15 THE COMMISSIONER: Q. Colacci's letter
16 was dated November 23rd?

17 A. Yes, my lord.

18 Q. So that if Colacci had resigned
19 on November 23rd, 1961, then as of December 7th ---

20 A. Colacci says, my lord, he resigned
21 as of November 10th, 1961, in his letter.

22 MR. ESTEY: Q. Yes, but as of December 7th,
23 he certainly wouldn't be ---

24 A. No. He says he resigned as of
25 November 10th.

26 THE COMMISSIONER: Q. Did it show the
27 addresses from which those letters came,
28 Colacci's letter and Klein's letter?

29 A. Colacci -- no, it doesn't, my lord.
30



"Davidson, and Green."

This was the only one of the original letters.

the last chronological item, and Mr. O'Connell
so make certain of this. That letter from
Klein which you have just read comes in to
you after the letter from Colonel Watson
Colonel Watson resigned as president. Klein says
he is still a director and, I suppose,

president of the club?

December 2nd, 1901, and it is received by me
on December 11th, 1901.

was dated November 23rd?

O. So that if Colonel had resigned

on November 23rd, 1901, then as of December 2nd ---

A. Colonel says, my lord, he resigned

as of November 10th, 1901, in his letter.

MR. KATZ: Yes, but as of December 2nd,

he certainly wouldn't be ---

A. No. He says he resigned as of

THE COMMISSIONER: Did it show the

Colonel's letter and Klein's letter?



1 MR. ESTEY: Q. I think you addressed one
2 letter to Colacci, did you not?

3 A. Yes, Frank Colacci, c/o 73 Stephen
4 Drive, Toronto 14. That was November 27th, 1961.
5 His address ---

6 THE COMMISSIONER: Q. What is Klein's
7 address?

8 A. Klein?

9 Q. In his last letter of December 7th.

10 A. He just -- oh, 659 Spadina Avenue,
11 Toronto.

12 Q. That is where the club was supposed
13 to be operating, isn't it?

14 A. Yes, I think that was the address.
15 Yes.

16 Q. Let's have a short recess.

17
18 ---A short recess.

19 ---On resuming:

20
21 MR. ESTEY: Q. Now, December 7th, Mr.
22 Cudney, was the last date in the history of
23 this club we had discussed. That is the
24 letter from Klein to you?

25 A. Yes.

26 Q. Listing among others Colacci who
27 had previously resigned. Then the next event
28 on your "O" file ---

29 THE COMMISSIONER: What day?

30 MR. ESTEY: Q. --- is dated the 13th of



Q. Now, I think you addressed one

letter to the... the...

A. Yes, from... the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

A. Yes, from...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

A. Yes, from...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one

letter to the...

Q. Now, I think you addressed one



1 December. I think that is the next date, Mr.
2 Gudney, and that is a letter from ---

3 A. From us.

4 Q. A memorandum from Ozolins to you
5 reporting ---

6 THE COMMISSIONER: From whom?

7 MR. ESTEY: Ozolins, O-z-o-l-i-n-s.

8 THE COMMISSIONER: Q. Is he in the
9 Department?

10 A. He is a supervisor, my lord, in
11 the companies returns office.

12 MR. ESTEY: Q. He reported to you that
13 the 1960 and the 1961 annual returns had been
14 re-submitted correctly?

15 A. Yes.

16 Q. Then on the same date, that is
17 December 13th, 1961, is a letter to you from
18 Chief Mackey sending to you two police
19 reports?

20 A. Yes, a letter, December 13th, 1961,
21 from Chief Mackey to myself.

22 THE COMMISSIONER: Q. What is the
23 substance of it? Is it a long letter?

24 A. Chief Mackey's letter is a short
25 one. The one report is short. The second
26 report is a three-page report. Chief
27 Mackey's letter says:

28 "Thank you for your letter (and
29 "enclosure) of the 12th instant,

BB/6



December. I think that is the next date, Mr.

--- most total a at that has , verdu

• QU MOI • A

roy of million more automobiles A .9

— 317 —

... ..

THE CONTINUATION: Is he in the

Journal of Management Education

4. No in a subversion, my lord, ni

THE WATER OF THE

the 1960 and the 1961 annual returns had been

200V A

1000



1 "indicating four grounds constituting
2 "cause for the cancellation of the
3 "provincial charter . . . "

4 I had written Chief Mackey the previous day in
5 regard to cause for cancellation of the
6 charter.

7 THE COMMISSIONER: Q. His letter simply
8 says he is enclosing reports from some
9 officers?

10 A. He says, "I concur in the
11 Inspector's reports." One is from Inspector
12 Thurston re the Humber Bay Community
13 Association.

14 Q. The other is from whom?

15 A. The other is from -- also from
16 Inspector H.S. Thurston, dated December 6,
17 to Chief Mackey.

18 Q. All right, what are they?

19 A. The first report from Inspector
20 Thurston to Chief Mackey:

21 "Mr. William Beverley Lewis, 6 Stonegate
22 "Road, one of the original petitioners
23 "of the above named chartered club,
24 "is, at present, a Member of the
25 "Provincial Parliament for the
26 "Humber Bay District."

27 Q. Is presently what?

28 A. (Reads) " . . . is, at present,
29 "a Member of the Provincial Parliament
30



...
 ...
 ...

I had written Chief Mackey the previous day in
 regard to same for cancellation of the
 charter.

THE CHARTER ...
 says he is enclosing reports from some
 others?

A. He says, "I come in the
 Inspector's report." One is from Inspector
 Thurston to the Harbor Bay Community

Association.
 Q. The other is from whom?
 A. The other is from -- also from

Inspector ...
 ...
 Q. All right, what are they?

A. The first report from Inspector
 Thurston to Chief Mackey.

"Mr. William Beverley Lewis, 6 Stonegate
 Road, one of the original petitioners
 of the above named chartered club,

"is, at present, a member of the
 Provincial Parliament for the
 "Harbor Bay District."

Q. Is presently what?
 A. (Reads) "... is, at present,
 "a member of the Provincial Parliament"



1 "for the Humber Bay District."

2 "Following our interview with
3 "Mr. Lewis on Saturday, December 2nd,
4 "1961, in regard to the present
5 "operations of this club, he was in
6 "contact with the Provincial
7 "Secretary. As a result, a letter
8 "was sent immediately to the
9 "present club officers, requiring
10 "that club records be kept to
11 "Queen's Park by Friday, December 8,
12 "1961.

13 "A telephone call received
14 "at the morality office, from Mr.
15 "Cudney, on Monday, December 4th,
16 "1961, requested an adverse report
17 "on this corporation as soon as
18 "possible, and no doubt its charter
19 "will be called in for cancellation
20 "immediately."

21 That is signed by Thurston.

22 Then the second report of Thurston --
23 by the way, that report is dated -- they are
24 both dated December 6th, from Thurston to
25 Chief Mackey:

26 "Re: Humber Bay Community Association.

27 "The Humber Bay Community
28 "Association was granted a charter
29 "by the Provincial Secretary dated
30

"was sent immediately to the Secretary. As a result, a letter

"that such records be kept in
"proper and efficient manner"

"A telephone call received
at the mortuary office from Mr.

possible, and we doubt the opinion
on this corporation as soon as

"The Number Boy Communion"



1 "November 8th, 1947.

2 "The objects at this time were . . . "

3 Then he reviews them. They are quite lengthy.

4 Q. Don't read them.

5 A. (Reads):

6 "The first directors of the cor-
7 "poration were as follows: (these men
8 "were also the original petitioners)
9 "William Beverley Lewis, 19 Aldgate Avenue
10 "Joseph Frederick Gair, 73 Stephen Drive
11 "Arthur Donald Rowan, 63 Langley Avenue.

12 "A search of the files at the
13 "companies branch of the Provincial
14 "Secretary's Office, Queen's Park,
15 "showed that the corporation was
16 "behind in filing annual returns for
17 "the years 1948 to 1959. On
18 "January 27th, 1960, a letter was
19 "received by the Provincial Secretary
20 "from Henry M. Finkle, B.A., Q.C.,
21 "21 Dundas Square, enclosing the
22 "annual return for the years 1948 to
23 "1959 inclusive.

24 "These returns showed the same
25 "three aforementioned men from 1948
26 "to 1955, when it was noted that
27 "J.F. Gair was deceased, and one
28 "Sidney Bloomberg, 174½ Baldwin
29 "Street appeared in his place. The
30



Washington, D.C., May 1943.

"The objects of this case are . . ."

and in certain cases, they are not.

A. It is not.

A. (Says):

"The first directors of the cor-

poration were as follows: (names and

addresses and telephone numbers)

"William Henry Davis, 1111 15th Street

"James H. Davis, 1111 15th Street

"James H. Davis, 1111 15th Street

"A search of the files at the

company branch of the Provincial

"Company in 1943, showed that

"showed that the corporation was

"active in 1943, and that for

"the years 1943 to 1944, on

"James H. Davis, 1111 15th Street

"received by the Provincial Secretary

"from Henry M. Finkle, B.A., D.C.,

"21 Dundas Square, enclosing the

"annual return for the years 1943 to

"1944 inclusive.

"The following names are the

"three aforementioned men from 1943

"to 1944, when it was noted that

"A. It is not.

"The following names are the

"three aforementioned men from 1943

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1 "returns for 1956 to 1959 include William
2 "Beverley Lewis, Arthur Donald Rowan
3 "and Sydney Bloomberg.

4 "Included in the file next to
5 "Mr. Finkle's letter is a Gazetted
6 "copy of a notice of default. No
7 "returns have been filed for the
8 "years 1960 and 1961, and no
9 "application has been made to change
10 "the head office location.

11 M.
12 "Mr. Henry Finkle was inter-
13 "viewed by Detective Sergeant Wilson
14 "and Detective Leybourne on
15 "December 4, 1961. He said that
16 "one, Sydney Bloomberg, came to
17 "his office with corporation
18 "returns for the years from 1948
19 "to 1959 inclusive. The returns
20 "were signed by Sydney Bloomberg,
21 "and were forwarded to Queen's Park
22 "by Mr. Finkle. Mr. Finkle then
23 "delivered all copies of corres-
24 "pondence with Mr. S. Herman,
25 "Barrister, 100 Adelaide Street
26 "West.

27 "Mr. Sol Herman was later
28 "interviewed at his office, and at
29 "this time a copy of the annual
30 "returns for the years 1948 to 1959



"return for 1950 to 1959 inclusive William
"copy of a notice of default, no
"included in the file next to
"copy of a notice of default, no
"return have been filed for the
"years 1950 and 1951, and no
"application has been made to change
"the last will testament.
"Mr. Henry Little was inter-
"viewed by Detective Sergeant Wilson
"and Detective response on
"return for the years from 1948
"to 1959 inclusive. The returns
"were signed by Sydney Bloomberg,
"and were forwarded to Queen's Park
"delivered all copies of copies-
"Burlington, 100 Adelaide Street
"West.
"Mr. Sol Herman was later
"interviewed at his office, and at
"this time a copy of the annual
"return for the years from 1948



1 "were viewed. Also on file in Mr.
2 "Herman's office were the 1960 and
3 "1961 returns, completed but not
4 "forwarded to Queen's Park as Mr.
5 "Herman was awaiting further word
6 "from his clients. Also viewed
7 "was the original charter issued
8 "to the Humber Bay Community
9 "Association. There were no minute
10 "books shown to Mr. Herman by any
11 "one connected with the club, and
12 "none are in existence.

13 "Mr. Sydney Bloomberg, now
14 "residing at 272 Coxwell Avenue,
15 "deponent for the annual returns
16 "for the years 1948 to 1959, was
17 "interviewed by Detective Sergeant
18 "Wilson and Detective Leybourne,
19 "and he stated that he was only
20 "associated with the Humber Bay
21 "Community Association for about
22 "three or four months, one year
23 "ago, when he was secretary-
24 "treasurer. This is in contradiction
25 "with the annual returns for the
26 "years 1955 to 1959 when he first
27 "appeared as a director. This
28 "would tend to show that returns
29 "were compiled en masse in 1959 and
30



"were viewed. Also on file in Mr.
"Herman's office were the 1960 and
"1961 returns, completed but not
"forwarded to Queen's Park as Mr.
"Herman was waiting for them to
"from his clients. Also viewed
"was the original charter issued
"to the [unclear] [unclear]
"Association. There were no minute
"books shown to Mr. Herman by any
"one connected with the club, and
"none are in existence.
"Mr. Sydney Bloomberg, now
"residing at 275 Conwell Avenue,
"deponent for the annual return
"for the year 1960 to 1961, was
"interviewed by Detective Sergeant
"Wilson and Detective Lehoucq,
"and he stated that he was only
"associated with the Harbor Bay
"Club for a short time, about
"three or four months, one year
"ago, when he was [unclear]
"there. This is in contradiction
"with the annual return for the
"years 1962 to 1963 when he first
"appeared as a director. This
"would tend to show that return
"was [unclear] or [unclear] [unclear]



1 "backdated to show Bloomberg in the
2 "years 1955 to 1959. Mr. Bloomberg
3 "further states that he quit the
4 "club as he did not have the time
5 "to spend on it and now has nothing
6 "to do with it.

7 "Mr. William B. Lewis, 2 Stone-
8 "gate Road, was interviewed, and he
9 "stated that he was one of the
10 "original petitioners of this
11 "club when it was first formed.
12 "At this time, he, along with
13 "Joseph Gair and Arthur Donald
14 "Rowan, operated a teen-age club
15 "which held its meetings in a
16 "school building. When the school
17 "moved an application was made
18 "for the charter in an endeavour
19 "to keep the group together. At
20 "no time has the club had any
21 "premises or equipment of its own,
22 "to his knowledge. He further
23 "stated that he made application
24 "some years ago to have the charter
25 "cancelled and believed that this
26 "was done. It was a real surprise
27 "to him to find the charter still
28 "in existence and occupying
29 "premises on Spadina Avenue. Mr.



"Years 1925 to 1929. Mr. Bloomberg

"Further stated that he did not

"know as he did not have the time

"to spend on it and now has nothing

"to his knowledge.

"Mr. William H. Lusk, Jr.

"Gate Road, was interviewed, and he

"stated that he was one of the

"original petitioners of this

"club when it was first formed.

"At that time, he was with

"Joseph Galt and Arthur Donald

"Homan, operated a teen-age club

"which held its meetings in a

"school building. When the school

"moved an application was made

"for the charter in an endeavor

"to keep the group together. At

"no time has the club had any

"presentation or equipment of its own,

"to his knowledge. He further

"stated that he made application

"some years ago to have the charter

"cancelled and believed that this

"was done. It was a real surprise

"to him to find the charter still

"in existence and occupying

"position as a charter club.



1 "Lewis recalled that he was an officer
2 "of the club, but could not remember
3 "whether or not he was president,
4 "vice-president or the secretary-
5 "treasurer. Mr. Lewis knew that
6 "Joseph Gair, another of the original
7 "petitioners, died in December, 1954.
8 "Mr. Arthur Donald Rowan, formerly
9 "of 63 Ringley Avenue, and now
10 "residing at 88 McDonald Avenue,
11 "one of the original petitioners,
12 "will be out of town for some time,
13 "and he was not, of course, available
14 "for an interview.

15 "On Friday, November 3rd, 1961,
16 "the premises of the Humber Bay
17 "Community Association, at 456
18 "Spadina Avenue, second floor, were
19 "visited by Detective Sergeant
20 "Wilson and Detectives Leybourne
21 "and Stuart. These premises are
22 "approximately 25 feet wide by
23 "130 feet long and are equipped
24 "with a number of tables and chairs,
25 "soft drink machines, and coffee bar
26 "in a partitioned rear portion.
27 "The front portion is partitioned
28 "into two additional sections, and
29 "one large room containing a large
30



"Lewis recalled that he was an officer
"whether or not he was president,
"vice-president or the secretary-
"thereafter. Mr. Lewis knew that
"Joseph Galt, another of the original
"petitioners, died in December, 1954.
"of 63 Hingham Avenue, and now
"residing at 85 McDonald Avenue,
"one of the original petitioners,
"will be out of town for some time,
"and he was not, of course, available
"for an interview.
"On Friday, November 2nd, 1961,
"the premises of the United States
"Customs and Border Protection, at 100
"Hingham Avenue, were visited by
"Special Agents, and the premises
"visited by Detective Sergeant
"Wilson and Detective Sergeant
"The front portion is built toward
"into two additional sections, and
"one large room containing a large



1 "poker table with seating capacity for
2 "ten persons.

3 "One, Frank Klein, 26 years,
4 "659 Spadina Avenue, identified himself
5 "as the vice-president of the Humber
6 "Bay Community Association, at
7 "present occupying the premises at
8 "456 Spadina Avenue, second floor.
9 "Mr. Klein stated that the club
10 "started operating here on
11 "October 24, 1961, and pays \$200
12 "per month rent. He further stated
13 "that he was elected vice-president
14 "at a house somewhere in Etobicoke
15 "but he did not know the address.
16 "Membership dues were \$40 per year.
17 "A cheque of the membership card
18 "file showed that all were dated in
19 "the latter part of 1960 or 1961.
20 "Mr. Klein did not produce any
21 "minute books of the club. He did
22 "not have the faintest idea of the
23 "purposes or objects of the club,
24 "saying that it was just a social
25 "club. Signs were posted showing
26 "the name of the club, the names
27 "of the alleged officers, and the
28 "yearly dues. Eight other men
29 "were present, seven of whom identified
30



"were present, seven of whom identified
"young ones. Eight other men
"of the alleged officers, and the
"the name of the club, the names
"also. When asked whether
"any one of them was a member
"purposes or objects of the club,
"not have the faintest idea of the
"minute books of the club. He did
"Mr. Klein did not produce any
"the latter part of 1960 or 1961.
"The showed that all were dated in
"A check of the membership card
"membership was made but no name
"but he did not know the address.
"at a house somewhere in Indiana
"that he was elected vice-president
"per month rent. He further stated
"October 24, 1961, and pays \$200



1 "themselves as members along with one
2 "guest.

3 "On Monday, November 6, 1961,
4 "officers from No. 3 Division executed
5 "a warrant to search on these premises
6 "and on proceeding to the club portion
7 "they were met by one Frank Colacci,
8 "39 years, 20 Carnarvon Avenue,
9 "who identified himself as the club
10 "president. Mr. Colacci did not
11 "know any of the club objects or the
12 "purposes of the club. He stated
13 "he was elected as president but did
14 "not know who elected him. Mr.
15 "Colacci then told the officers that
16 "he would resign his position
17 "immediately. During this visit,
18 "it appeared that one, Frank Pucci,
19 "96 Combermere Drive, was in charge
20 "as he was giving orders to the other
21 "members present.

22 "It is quite apparent that the
23 "Humber Bay Community Association is
24 "not living up to the requirements as
25 "laid down in the Companies Act, namely:
26 "1. Non-user.
27 "2. Late filing of return.
28 "3. Address of head office moved
29 "without permission of the Provincial
30



"themselves as members along with one

"officers from No. 3 Division executed

"a warrant to search on these premises

"and on proceeding to the club portion

"they were met by one Frank Colacet,

"33 years, 30 Garfield Avenue,

"who identified himself as the club

"know any of the club officers or the

"purpose of the club. He stated

"he was elected as president and did

"not know who elected him. He

"Colacet then told the officers that

"he would resign his position

"immediately. He stated that

"the committee was not yet formed.

"The Committee Drive, was in charge

"and he was giving orders to the other

"members present.

"It is quite apparent that the

"Klubers Bay Community Association is

"not living up to the requirements as

"laid down in the Corporation Act, 1908.

"2. Case filed of return.

"3. Address of head office moved

"without permission of the Registrar



1 "Secretary.

2 "It is respectfully submitted
3 "that the above information be
4 "forwarded to the Deputy Provincial
5 "Secretary's Office for whatever
6 "action they may deem necessary."

7
8 (Page 12700 follows)



"Postscript."

"It is respectfully submitted

"that the above information be

"forwarded to the Deputy Provosts

"Department is within the scope of

"their duties and responsibilities."

(Name withheld)

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CC/1/WC

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Q. I don't know how important this is, there seems to be two discrepancies between the police report and the Department file. First of all, with regard to Mr. Bloomberg, the police say in their report: --

A. I was just checking that.

Q. He is shown as an officer from 1955 onward. And secondly, the police report of the conversation with Mr. Lewis wouldn't seem to fit with the memorandum in the file dated 10th of December, 1957, where the Department records a telephone conversation from Mr. Rowan, saying he wanted to revive the charter?

A. Yes.

Q. Can you deal with ---

THE COMMISSIONER: Just a moment. A memorandum of December 10th?

MR. ESTEY: Yes, sir, December 10th, 1957.

THE WITNESS: December 10th, 1957?

MR. ESTEY: A note of a telephone conversation with Mr. Lewis.

THE COMMISSIONER: Yes.

THE WITNESS: December 10th, 1957.

MR. ESTEY: Q. That is correct. The other discrepancy is concerning Mr. Bloomberg, and I wonder if the police report is correct. In 1955 to 1959 he does show as a director.

A. That was from '55.



Q. I don't know how important this

is, but it is in the memorandum

the police say in their report --

First of all, with regard to Mr. Bloomberg,

the police say in their report: --

A. I am not sure.

Q. He is shown as an officer from

the report, and he is shown

of the conversation with Mr. Lewis wouldn't

seem to fit with the memorandum in the file

dated 10th of December, 1955, where the

Department records a telephone conversation

from Mr. Rosen, saying he wanted to revive

the charter?

A. Yes.

Q. Can you deal with --

THE COMMISSIONER: Just a moment. A

memorandum of December 10th?

MR. ROSEN: Yes, sir, December 10th, 1955.

THE COMMISSIONER: Yes, sir.

MR. ROSEN: A note of a telephone con-

versation with Mr. Lewis.

THE COMMISSIONER: Yes.

MR. ROSEN: Yes, sir.

MR. ROSEN: Q. That is correct. The

other discrepancy is concerning Mr. Bloomberg,

and I wonder if the police report is correct.

In 1955 to 1959 he does show as a director.

A. That was from '55.



1 Q. 1959.

2 A. Yes. No, not 1959, this is
3 Lewis and Rowan. In '58 Lewis and Rowan.
4 In 1957 it is Lewis and Rowan. And 1956, it
5 is Lewis and Rowan. 1955, it is Lewis, Rowan
6 and Gair. I was just wondering that when
7 I was reading that report. I didn't think
8 his name appeared.

9 Q. Well, then, chronologically that
10 letter which enclosed those two reports was
11 dated December 13, 1961, and I think on that
12 same date you gave a notice to the club. You
13 might check that. My notes may be wrong.
14 I think you gave the note to the club saying
15 you were going to cancel.

16 A. The letter was received on
17 December 14th. Chief Mackey's letter was
18 received on December 14th, '61. I wrote to
19 the Chief on December 15th saying that a letter
20 of cancellation was being written.

21 Q. Yes. And I have a note on
22 December 22nd that you reported to the club
23 that you had cancelled the charter?

24 A. Yes. On December 22nd, there
25 is a letter from me to the club, care of
26 Frank Klein, "I am enclosing an order
27 cancelling -- "

28 Q. Yes?

29 A. But I don't see a letter to the
30



A. Yes. No, not 1952, this is

Lewis and Roman. In 1952 Lewis and Roman.
In 1957 it is Lewis and Roman. And 1958, it
is Lewis and Roman. 1959, it is Lewis and Roman.
and Gail. I was just wondering that when
I was reading that report, I didn't know
the name was Gail.

A. Well, when I was looking at the
letter which enclosed those two reports was
dated December 13, 1961, and I think on that
same date you gave a notice to the club. You
might check that. My notes may be wrong.
I think you gave the note to the club saying
you were going to cancel.

A. The letter was received on
December 14, 1961. I wrote to
received on December 14th, 1961. I wrote to
the club on December 14th, 1961, and I wrote
of cancellation was being written.

A. Yes. And I have a note on
December 22nd that you reported to the club
that you had cancelled the charter?

A. Yes. On December 22nd, there
is a letter from me to the club, care of
Frank Klein, "I am enclosing an order
cancelling --"

A. But I don't see a letter to the



1 club advising of the proposed cancellation.

2 Q. I think it is December 14th
3 on your 'O' file.

4 A. There is a letter December 14th
5 on the 'O' file, a letter December 14th, 1961,
6 from me to Frank Klein:

7 " Referring to your letter
8 "of December 7th, received by this
9 "Department December 11th, I am
10 "enclosing for your information a
11 "copy of letter of cancellation
12 "I have mailed to the club."

13 But I don't see the letter of cancellation.

14 Q. I think there is one in there
15 somewhere, because I have a note of the letter
16 of cancellation.

17 THE COMMISSIONER: On December 13th --
18 December 14th.

19 MR. ESTEY: This December 14th is a
20 letter of Mr. Cudney's to Mr. Klein enclosing
21 a letter of cancellation which I think is
22 dated December 12th.

23 THE WITNESS: Yes. I don't just seem
24 to be able to locate that document.

25 THE COMMISSIONER: I am a little confused.
26 Straighten me out.

27 MR. ESTEY: If I may, Mr. Commissioner.
28 The file seems to say this; on December 12th
29 somebody drafted for Mr. Cudney's signature a
30



club advising of the proposed cancellation.

Q. I think it is December 1931

on your '0' file.

A. There is a letter December 1931

on the '0' file, a letter December 1931, 1931.

from me to Frank Kiffin:

"Referring to your letter

"of December 7th, received by this

"Department December 11th, I am

"enclosing for your information a

"copy of letter of cancellation

"I have mailed to the club."

But I don't see the letter of cancellation.

Q. I think there is one in there

somewhere, because I have a note of the letter

of cancellation.

THE COMMISSIONER: On December 1931 --

December 1931.

MR. KATZ: This December 1931 is a

letter of Mr. Gurney's to Mr. Kiffin enclosing

a letter of cancellation which I think is

December 1931.

THE WITNESS: Yes. I don't just seem

to be able to locate that document.

THE COMMISSIONER: I say little confused.

Reassigned me out.

MR. KATZ: Is it not, Mr. Commissioner,

the file seems to say this; on December 1931

somebody drafted for Mr. Gurney's signature a



1 letter to the club saying "by reason of
2 your failure to file returns, forfeiture and
3 so on, we are going to cancel your charter."

4 THE COMMISSIONER: Notice of intention.

5 MR. ESTEY: Notice of intention. This
6 was forwarded to Mr. Klein with a covering
7 letter of December 14th.

8 THE WITNESS: I have found that letter,
9 it is December 12th.

10 MR. ESTEY: Q. On December 22nd Mr.
11 Cudney sent to both the club and to the police
12 a copy of the notice or order of cancellation.
13 I think that is correct, Mr. Cudney, isn't it?

14 A. Yes, on December 27th.

15 Q. December 27th?

16 A. I wrote to Chief Mackey on
17 December 22nd:

18 " I would advise that an
19 "order dated December 22nd has
20 "been issued cancelling the
21 "letters patent of the above
22 "club and declaring it dissolved."

23 THE COMMISSIONER: I had it correct,
24 December 22nd, 1961, charter cancelled.

25 A. The charter was cancelled, yes.

26 THE COMMISSIONER: Just a moment. What
27 date did you write to the police and to the
28 club?

29 A. I wrote to the club ---
30



...to the ...
 ...
 ...no on, we are going to cancel your charter."

THE COMMISSIONER: Notice of intention.

MR. ...: Notice of intention. That

was forwarded to Mr. Klein with a covering

letter of December 1st.

THE WITNESS: I have found that letter,

it is December 1st.

MR. ...: ...

Gudney sent to both the club and to the police

a copy of the notice or order of cancellation.

I ...

A. Yes, on December 2nd.

A. ...

A. I wrote to Chief Mackey on

...

"I ...

"order dated December 2nd has

"been issued cancelling the

"letters patent of the above

"club and declaring it dissolved."

THE COMMISSIONER: I had it corrected.

...

A. The charter was cancelled, yes.

THE COMMISSIONER: Just a moment. When

date did you write to the police and to the

club?

A. I wrote to the club --



1 Q. On the same date?

2 A. I wrote to the club on December
3 22nd enclosing a copy of the order, my lord,
4 and to the police on December 27th.

5 THE COMMISSIONER: All right.

6 MR. ESTEY: Q. You may as well complete
7 the last detail of that. Wasn't the effective
8 of
9 date of the order, cancellation --

10 A. January 12th, 1962.

11 Q. And what were the grounds for
12 cancellation, on what grounds did you act?

13 A. There were four grounds, Mr.
14 Estey, which I set out to the club in my
15 letter of December 12th:

16 "1. The above corporation has
17 "failed to ~~xxx~~ comply with my
18 "letter of December 4th requesting
19 "a certain return under Section 4
20 "of The Corporations Information
21 "Act.

22 "2. The activities of the
23 "corporation are limited to the
24 "Township of Etobicoke but the
25 "corporation has operated in the
26 "City of Toronto.

27 "3. The corporation has purported
28 "to operate after its corporate
29 "powers were forfeited for non-
30 "user, under Section 27 of the



On the other hand .

A. I wrote to the club on December

Send enclosing a copy of the order, my love,

...and of bus

THE OCEANOGRAPHIC LITERATURE

the last detail of your

State of the Oregon Territory

Figure 1. The effect of the concentration of the *Agrobacterium* suspension on the transformation efficiency of *Agrobacterium* strains.

connection, on which we have no doubt

A. There were four grounds, Mr.

Keyes, when I sat out to the club in my

Letter of December 1891:

early 1950s and 1960s. I"

"Letter to Benjamin for redemption"

"of the Government Information

[Faint handwritten notes]

and to activities only. S"

out of bed and was not sleeping"

"Familiarity of Experience has the

1015 to 1020

old to the mother, "now, now"



1 "Companies Act.

2 "4. The corporation has changed

3 "the location of its premises

4 "without the consent of the

5 "Provincial Secretary, contrary

6 "to Section 291 of the Corporations

7 "Act."

8 THE COMMISSIONER: Is that the end of
9 the line? Is that the end of the story?

10 A. Yes, the charter is cancelled.

11 Q. Then, what is the explanation
12 in the brief at page 10 of the Appendix K:

13 "It is possible this club may call for a
14 hearing". What is that?

15 A. Well, this ---

16 Q. Just a moment. That brief is
17 in error, apparently, in two respects.

18 A. Well, this ---

19 Q. Just a minute, please. It
20 says: "Letter from Deputy Provincial Secretary
21 advises that charter will be cancelled as
22 of December 22nd, 1961." That is not as
23 I understand it at the moment. On December
24 22nd, 1961, there was a letter sent out that
25 the charter would be cancelled as of January
26 12, 1962.

27 A. No, the order, my lord, cancelling
28 the charter was on December 22nd, but dissolving
29 the corporation as of January the 12th. You
30



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Company, Ltd.

A. The corporation was changed

the location of the business

without the consent of the

Provincial Secretary, and

the location of the business

"Act."

THE COMMISSIONER: Is that the end of

the story? Is that the end of the story?

A. Yes, the end of the story.

Q. Then, what is the explanation

in the brief of page 10 of the Appendix B?

"It is possible that this may call for a

statement, which is as follows:

A. Well, this --

Q. Just a moment. That brief is

in error, apparently, in two respects.

A. Well, this --

Q. Now, please, first, is

says: "Letter from Deputy Provincial Secretary

advises that charter will be cancelled as

of December 22nd, 1901." That is not so

I understand it at the moment. On December

22nd, 1901, there was a letter sent out that

the charter would be cancelled as of January

1st, 1902.

Q. Now, please, the second statement

the charter was on December 22nd, but dissolving

the corporation as of January the 1st, 1902.



1 see, our practice, my lord, an order of
2 cancellation ---

3 Q. No, Mr. Cudney, listen to me.
4 Unless I am that wrong, look at the brief.
5 The letter from the Deputy Provincial Secretary's
6 office that the charter will be cancelled
7 as of December 22nd, 1961.

8 A. You are referring, my lord, to
9 the Appendix.

10 Q. Page 10 of Appendix K, I think
11 it is.

12 A. Yes.

13 Q. Will be cancelled as of
14 December 22nd, 1961?

15 A. I think the explanation -- this
16 is, my lord, this is Chief Mackey's list
17 that was submitted --

18 Q. What is Chief Mackey's list?

19 A. Appendix K, the one -- these
20 clubs in Appendix K, is Chief Mackey's list,
21 these are the clubs that the Metro Police
22 did complain to us about in the preceding
23 ten years.

24 Q. I understood that all right.

25 A. Now, this report from Chief Mackey
26 came in, was dated in December, earlier than
27 December 22nd. I have the exact date ---

28 Q. It doesn't matter the exact date.
29 He sent in a list of clubs?
30



and, the President, Mr. Hoover, Mr. Clegg, Mr. Glavin, Mr. Ladd, Mr. Nichols, Mr. Rosen, Mr. Tracy, Mr. Carson, Mr. Egan, Mr. Gurnea, Mr. Hendon, Mr. Pennington, Mr. Quinn, Mr. Nease, Mr. Gandy.

--- continued ---

Q. No, Mr. Gurnea, listen to me.

Unless I am that wrong, look at the list.

The list from the Detroit Division is as follows:

That list has been cancelled and is not being used.

as of December 22nd, 1931.

A. That was cancelled, Mr. Gurnea, the

list was cancelled.

Q. Page 10 of Appendix K, I think

is it.

A. Yes.

Q. Will be cancelled as of

December 22nd, 1931.

A. I think the cancellation was made

in the list, that is the reason for it.

that was cancelled --

Q. What is Chief Mackey's list?

A. Appendix K, the one -- these

clubs in Appendix K, is Chief Mackey's list.

There are the clubs that the Metro Police

did complain to us about in the preceding

ten years.

Q. I understood that all right.

A. Now, this report from Chief Mackey

was in the list as cancelled, was it not?

December 22nd. I have the exact date --

Q. It doesn't matter the exact date.

He sent in a list of clubs?



1 A. Yes.

2 Q. All right. I am referring to -

3 A. At that time the charter had not been cancelled
4 and they may have asked for a hearing. I
5 think my letter of cancellation had been sent
6 out and they had a certain time to ask for
7 a hearing. And I think that is why the
8 explanation, my lord -- it appears that way
9 in Appendix K, this is Chief Mackey's list,
10 this was earlier than December 22nd. They
11 didn't know whether the club may ask for a
12 hearing. But actually the club didn't ask
13 for a hearing.
14

15 Q. That is not a very good explanation
16 when you look at the other items on the same
17 page. It is in capital letters in some
18 instances: "No adverse report submitted yet".

19 A. These comments are all Chief
20 Mackey's, my lord.

21 Q. "No adverse reports submitted
22 yet", is that Mackey's report?

23 A. Yes, this is Mackey's report.
24 These are not our comments these are Mackey's
25 comments.

26 MR. CARTY: The asterisk might help you.

27 THE COMMISSIONER: I see.

28 THE WITNESS: You see, these are not
29 the Department's comments, my lord, these are
30 Chief Mackey's. I would ~~ask~~ ask Chief Mackey



Yes.

Q. All right. I am referring to -

A. At that time the charter had not been cancelled

and they may have asked for a hearing. I

think my letter of cancellation had been sent

out and they had a certain time to ask for

a hearing. And I think that is why the

explanation, my lord -- it appears that way

in Appendix E, that is Chief Mackey's list,

and I think that is why the

didn't know whether the club was safe for a

hearing. But actually the club didn't ask

for a hearing.

Q. That is not a very good explanation

when you look at the other items on the same

page. It is in capital letters in some

instances: "No adverse reports submitted."

A. These comments are all Chief

comments, my lord.

Q. "No adverse reports submitted"

you say that is correct?

A. Yes, that is Mackey's report.

These are not our comments these are Mackey's

comments.

Q. Now, the question is, what was the

THE COMMISSIONER: I see.

THE WITNESS: You see, there are not

the Department's comments, my lord, there are

Chief Mackey's. I would like ask Chief Mackey



1 if he would submit this list early in December.

2 THE COMMISSIONER: This is Mackey's
3 list verbatim?

4 A. Yes.

5 Q. And the asterisk at the bottom
6 in each instance is what has since been done,
7 on page 10?

8 A. Page 10. Those would be -- those
9 footnotes --

10 Q. Are the Department's?

11 A. Are the Department's, yes.

12 Q. Explaining what has since been done?

13 A. Explaining what has since been done.

14 But the other part, my lord, other than the
15 footnotes would be Chief Mackey's report.

16 THE COMMISSIONER: I understand that now.

17 Now, is that the end of the story so
18 far as this Humber Bay Community Association
19 is concerned?

20 MR. ESTEY: That is correct, my lord.
21 I want to ask two questions arising out of
22 the facts we now have straightened around.

23 THE COMMISSIONER: All right.

24 MR. ESTEY: Q. The first thing I am
25 wondering if it is not a bit unusual, if
26 you look at the beginning of the story, the
27 application for incorporation is dated the 5th
28 day of November, 1947. Presumably it would
29 not be received that day. The letters patent
30



if he would submit this late early in December.

THE COMMISSIONER: This is Mackey's

THE COMMISSIONER

Q. And the asterisk at the bottom

in each instance is what has since been done.

THE COMMISSIONER

A. Page 10. There would be -- those

THE COMMISSIONER

Q. Are the Department's

A. Are the Department's, yes.

THE COMMISSIONER

A. Explaining what has since been done.

But the other part, my lord, other than the

footnotes would be Chief Mackey's report.

THE COMMISSIONER

Now, is that the end of the story as

far as this Harbor Bay Community Association

is concerned?

MR. MATHY: That is correct, my lord.

I want to ask two questions arising out of

the facts we now have mentioned around.

THE COMMISSIONER: All right.

MR. MATHY: Q. The first thing I am

wondering if it is not a bit unusual, if

you look at the beginning of the story, the

application for incorporation is dated the 25th

day of November, 1967. Presumably it would

not be received that day. The letters patent



1 were granted three days later on the 8th day
2 of November, 1947/ Isn't that rather
3 expeditious?

4 A. Yes, it is rather. Let me take
5 a look at the file.

6 THE COMMISSIONER: You are not going
7 to criticize the Department for being
8 expeditious?

9 MR. ESTEY: Not in private practice I
10 am not going to.

11 MR. CARTY: I have October 2nd, rather
12 than November 2nd, as the date of application.

13 THE WITNESS: The application was filed --

14 MR. ESTEY: My note may be wrong.

15 THE WITNESS: The date stamp is November
16 8th, it was received by the Department
17 November 8th, 1947.

18 THE COMMISSIONER: The charter granted --

19 A. The letters patent granted
20 November 8th, but the charter was sent on
21 November 18th. Our practice is to date the
22 charter, if everything is in order, the
23 date the application is received.

24 THE COMMISSIONER: You needn't go any
25 further.

26 MR. ESTEY: Q. The other thing in your
27 letter of December 12th isn't correct. You
28 do go back to the proposition I put to you
29 at the beginning, you are referring to forfeiture
30



were granted three days later on the 25th day

A. Yes, it is rather, let me take

a look at the file.

THE COMMISSIONER: You are not going

to criticize the Department for being

MR. ESTEY: Not in private practice I

am not going to.

then November 2nd, as the date of application.

THE WITNESS: The application was filed --

MR. ESTEY: My note may be wrong.

THE WITNESS: The date stamp is November

8th, it was received by the Department

November 8th, 1904.

THE COMMISSIONER: The charter granted --

A. The letters patent granted

November 8th, but the charter was sent on

November 12th. Our practice is to date the

charter, if everything is in order, the

date the application is received.

THE COMMISSIONER: You needn't go any

MR. ESTEY: O. The other thing in your

do go back to the proposition I put to you

at the beginning, you are referring to testimony



1 under the old Companies Act, in failing to
2 render a return?

3 A. That is one of the grounds for
4 cancellation.

5 Q. Which could be acted on when
6 you first got those 13 years returns at the
7 one time?

8 A. Well, no. When we received those
9 returns we didn't know that the association,
10 the club was carrying on its operations,
11 because a corporation is required even although
12 the corporate powers are forfeited, the
13 corporation is required to file its annual
14 returns, whether or not the powers are
15 forfeited. It is only when it comes to
16 a retention, they are using, they are operating
17 after the forfeiture, that it forms a ground.
18 I mean, the mere fact that they had ~~fast~~
19 filed their returns would not necessarily
20 indicate they were using their corporate
21 powers.
22

23 I mean, I had a case one time ---

24 THE COMMISSIONER: Never mind the case
25 you had.

26 MR. ESTEY: Q. Just deal with this
27 file.

28 THE COMMISSIONER: It is the principle
29 we are trying to enunciate.

30 MR. ESTEY: Q. You have the letter of



under the old Companies Act, in failing to

render a return.

A. That is one of the grounds for

liquidation.

Q. Which could be acted on when

you first got those 13 years returns as the

in time.

A. Well, no. When we received those

returns we didn't know that the association,

the club was carrying on its operations,

because a corporation is required even although

the corporate powers are forfeited, the

corporation is required to file its annual

returns, whether or not the powers are

forfeited. It is only when it comes to

a corporation, that the powers are forfeited

after the forfeiture, that it forms a ground.

I mean, the mere fact that they had their

filled their returns would not necessarily

indicate they were using their corporate

powers.

I mean, I had a case one time ---

THE COMMISSIONER: Never mind the case

you had.

THE COMMISSIONER: I am sure you had.

THE COMMISSIONER:

THE COMMISSIONER: It is the principle

we are trying to enunciate.

MR. HENRY: Q. You have the letter of



1 December 7th, 1957, by the incorporator
2 saying he was now going to revive the charter,
3 makes no application to revive, and you
4 receive 12 years' returns, and on which you
5 rely on a corporate forfeiture. My question
6 is that this example of trafficking could have
7 been headed off and rendered impossible if
8 you cancelled that charter as soon as you
9 saw the thing.

10
11 A. I wouldn't say it was evident
12 at that point. The files were returned,
13 he was proving that the directors were all
14 the original directors.

15 Q. May I put the question more
16 clearly. I am not suggesting you knew at
17 that time it was trafficking, but I say the
18 chance, the opportunity to trade that charter
19 around or let out to be picked up by somebody
20 else with an ulterior motive, would not have
21 been such if as soon as you received the
22 returns, and the statement two years before
23 that they were going to revive it, you had
24 cancelled it.

25 A. I don't quite agree, Mr. Estey.
26 They said they were going to revive it, but
27 they may have had a change of mind. They
28 didn't revive it. The fact they came along
29 later and filed the returns doesn't necessarily
30 say they were operating. I mean, because they



... saying he was now going to revive the charter,
 makes no application to revive, and you
 receive 12 years' returns, and on which you
 rely on a corporate forfeiture. My question
 is that this example of trafficking could have
 been headed off and rendered impossible if
 you cancelled that charter as soon as you

A. I wouldn't say it was evident
 at that point. The files were returned,
 he was proving that the directors were all
 the original directors.

Q. May I put the question more
 clearly. I am not suggesting you knew at
 that time it was trafficking, but I say the
 chance, the opportunity to trade that charter
 around or let out to be picked up by somebody
 else with an ulterior motive, would not have
 been such if as soon as you received the
 returns, and the statement two years before
 that they were going to revive it, you had
 cancelled it.

A. I don't quite agree, Mr. Deputy.
 They said they were going to revive it, but
 they may have had a change of mind. They
 didn't revive it. The fact they came along
 later and filed the returns doesn't necessarily



1 are required to file returns in any event.

2 Q. Let me put it to you this way,
3 could you then have a hearing to establish
4 why they were bringing this up to date, and
5 why they didn't apply for letters of revival?

6 A. They could have. I don't know.
7 These returns we particularly looked at --
8 but if you look at this return, I gave a
9 direction at the end of 1959 and '60, to
10 bring to my attention if returns from for
11 a number of years were filed where there was
12 a complete change in the directors, or a
13 complete change in the location of the office
14 from one city to another, or one part of
15 a city to another. But in this case the
16 directors were all the same and the location
17 of the headoffice was in that area. I don't
18 really think there was anything there to
19 base it on. Because I know we had a number ---

20 Q. I will ask you one last question
21 and we will get on to something else. The
22 returns do indicate that the man certifying
23 them was not a director although he certified
24 as director. Wouldn't that be enough to
25 hold a hearing to find out what was going on?

26 A. As I recall, that matter was
27 looked into, the matter of the director.
28 That was looked into and I got an opinion
29 on it in the Department. And it wasn't
30



...in the ...

Q. Let me put it to you this way.

...the ...

...they were bringing this up to date, and

...why they didn't apply for letters of revivals?

A. They could have. I don't know.

...the ...

...at the last of this year, I gave a

direction at the end of 1953 and 1954, to

bring to my attention in return from for

a number of years were filed where there was

a ...

...in the ...

from one city to another, on one part of

...the ...

...the ...

of the headoffice was in that area. I don't

really think there was anything there to

...I know we had a number of

Q. I will ask you one last question

and we will get on to something else. The

returns do indicate that the man ...

there was not a director although he ...

...director. Wouldn't that be enough to

...the ...

A. As I recall, that matter was

looked into, the matter of the director.

That was looked into and I got an opinion

on it in the Department. And it wasn't



1 proceeded with. It was thought that the --
2 As I recall it -- Now, this is offhand --
3 that the time had passed for the prosecution.
4 Anyway, I received a fairly long -- in fact,
5 that was looked into at the time, the matter
6 of a prosecution.
7

8 Q. There is no record on the file,
9 however, to that effect, is there?

10 A. No.

11 Q. Then, also, isn't it rather
12 strange that these reports could be filled out ---

13 THE COMMISSIONER: Just a moment.
14 There are some notes being passed up to the
15 witness. I am not objecting particularly.
16 Perhaps reminding him of something.

17 Let me see that.

18 The man who is writing the notes^{ought}
19 to be in the witness box if he is going to
20 offer suggestions.

21 AN OFFICER: Do you have any direction,
22 my lord, with regard to this?

23 THE COMMISSIONER: You can give it to
24 Mr. Cudney.

25 THE WITNESS: I can assure you, my lord,
26 they are not at my suggestion.

27 THE COMMISSIONER: I know that, Mr. Cudney,
28 perfectly well.

29 MR. ESTEY: Q. Leading out of that
30 answer, isn't it a rather strange circumstance



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...ended with. It was thought that the --

As I recall it -- Now, this is offhand --

...you can find out about the ...

...I received a fairly long -- in fact,

...has looked into at the time, the matter

...is ...

Q. There is no record on the file,

However, to that effect, is there?

A. No.

Q. Then, also, isn't it rather

strange that these reports could be filled out --

...the ...

...the ...

witness. I am not objecting particularly.

...the ...

Let me see that.

The man who is writing the ...

to be in the witness box if he is going to

...the ...

AN OFFICER: Do you have any objection,

...the ...

THE COMMISSIONER: You can give it to

...the ...

...the ...

they are not at my suggestion.

THE COMMISSIONER: I know that, Mr. ...

...the ...

MR. ...: ...

answer, isn't it a rather strange circumstance



1 that these elaborate returns, and they are
2 elaborate -- there are what, 26 questions
3 in these returns? Are all filed two months
4 and six weeks after Mr. Frank Klein says we
5 can't find the records. Isn't this another
6 strange circumstance? And I am asking these
7 questions, not because this club by itself
8 is important, but it is symptomatic. I am
9 asking that whether those three circumstances
10 wouldn't have suggested that this club be
11 cancelled, or at least a hearing held and
12 not wait until something serious happened?

13 A. Your last question, Mr. Estey,
14 when the man wrote, I think it was Klein,
15 the charter was cancelled right after that.

16 Q. The 7th of December, 1961.

17 A. Yes. And the charter was
18 cancelled on December 22nd.

19 Q. And it was after that you wrote
20 to the police, and so on?

21 A. Yes, as a matter of fact I had
22 been in touch with the police before that
23 by telephone.

24 Q. Yes, that is mentioned in the
25 police report.

26 A. Yes.

27 Q. In any event, so much for the
28 Humber Club. We might not see eye to eye
29 on the cancellation, but you did ultimately
30



cc/3

on the cancellation, but you did ultimately

number 120. We might not see eye to eye

Q. In any event, no more for the

police report.

Q. Yes, that is mentioned in the

by telephone.

been in touch with the police before that

A. Yes, as a matter of fact I had

to the police, and so on?

Q. And it was after that you wrote

canceled on December 22nd.

A. Yes. And the charter was

Q. The 7th of December, 1961.

the charter was canceled right after that.

when the man wrote, I think it was Klein,

A. Yes, that is correct, Mr. Klein.

not wait until something serious happened?

canceled, or at least a hearing held and

wouldn't have suggested that this club be

asking that whether those three circumstances

is important, but it is symptomatic. I am

questions, not because this club by itself

strange circumstances? And I am asking those

can't find the records. Isn't this another

and six weeks after Mr. Frank Klein says we

in these records? Are all filed two months

in these records? Are all filed two months

in these records? Are all filed two months

in these records? Are all filed two months



1 cancel it for forfeiture?

2 A. Yes, there were four grounds.

3 THE COMMISSIONER: What is the next
4 one, is it going to be long?

5 MR. ESTEY: It is an old friend of
6 your lordship's, the Italian Niagara Frontier
7 Club.

8 THE COMMISSIONER: That is not an old
9 friend of mine. I have heard of it before.

10 Well, now, we will not start that one
11 today.

12 You may step down from the witness box.

13 I suppose in each of these instances,
14 Mr. Estey, you say that this particular club,
15 or criticism of it, and what happened, falls
16 under a particular heading. Now, can you
17 outline for me now, without taking too much
18 time, what you suggest you proved by your
19 examination of these files in the manner in
20 which you have been examining into them
21 through Mr. Cudney?

22 MR. ESTEY: Well, I am in the Commissioner's
23 hands. I am rather reticent to outline where
24 I am going with witnesses in the room, with
25 Mr. Yaremko and Mr. Cudney here. I can give
26 your lordship a brief outline, but I would
27 prefer to give it in Chambers rather than
28 here.
29

30 THE COMMISSIONER: I see your objection.



A. Yes, there were four grounds.

THE COMMISSIONER: What is the next

one, as it going to be longer

MR. BATES: It is an old friend of

THE COMMISSIONER: That is not an old

friend of mine. I have heard of it before.

Well, now, we will not start that one

You may step down from the witness stand.

I suppose in each of these instances,

Mr. Bates, you say that this particular club,

or criticism of it, and what happened, really

under a particular heading. Now, can you

outline for me now, without taking too much

time, what you suggest you proved by your

examination of these files in the manner in

which you have been examining into them

MR. BATES: Well, I am in the Commissioner's

hands. I am rather reticent to outline where

I am going with witnesses in the room, with

Mr. Yarbarko and Mr. Gendrey here. I can give

your foreman a brief outline, but I would

prefer to give it in chambers rather than

THE COMMISSIONER: I see your objection.



1 All I thought was as you go along I would
2 be putting it in one compartment or another
3 as we proceeded.

4 MR. ESTEY: I have it in compartments,
5 and I think it would be helpful.

6 THE COMMISSIONER: Will you subsequently
7 put them, each one of them, into a particular
8 compartment?

9 MR. ESTEY: Yes, I would be glad to do
10 that at any time the Commissioner would like
11 me to do that. I can do it at the close
12 of this hearing if you so wish.

13 THE COMMISSIONER: Yes.

14 We will rise until ten o'clock Monday
15 morning.

16
17 ---Whereupon further proceedings of the hearing
18 adjourned at 4:58 o'clock p.m. until
19 10:00 o'clock a.m. on Monday, October 15th,
20 1962.



All I thought was as you go along I would
be putting it in one compartment or another

MR. TOLSON: I have it in compartments.

and I think it would be helpful.

THE COMMISSIONER: Will you subdivide

but then, each one of them, into a particular

MR. TOLSON: Yes, I would be glad to do

that at any time the Commission would like

me to do that. I can do it at the close

of this hearing if you so wish.

THE COMMISSIONER: Yes.

We will take until ten o'clock Monday

morning.

---Whereupon further proceedings of the hearing
terminated at 10:00 o'clock a.m. on Monday, October 12th.

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VOLUME NO.....

ROYAL COMMISSION

ON CRIME

IN ONTARIO

DAILY TRANSCRIPT
OF PROCEEDINGS

Date.. 15th. Oct.,. 1962.

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VOLUME 64

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[illegible]



A/JBMcG/1

MONDAY, OCTOBER 15, 1962

---On resuming at 10.18 a.m.

ROBERT JAMES CUDNEY, resumed,

EXAMINATION BY MR. ESTEY CONTINUED:

Q. Mr. Cudney, Friday afternoon we were engaged in examining one of your departmental files and you and I were examining some letters, some old and some not so old, and in our examination we had got down to the Niagara Frontier Club and I believe your assistant is putting that file before you now.

A. Yes.

Q. Now, then, in regard to the Frontier Club, your lordship may find it convenient to follow these clubs in the appendixes and I have some of them here under "J" and "K".

THE COMMISSIONER: Yes, I have them.

MR. ESTEY: It is in Exhibit 253, your lordship.

THE COMMISSIONER: I have just sent for my copy; go ahead now, it will be here in a moment.

MR. ESTEY: Q. In order to move along a little more quickly this morning, perhaps



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EXHIBIT 100-100000-100000

EXHIBIT 100-100000-100000

EXHIBIT 100-100000-100000

EXHIBIT 100-100000-100000

EXHIBIT 100-100000-100000

were engaged in examining one of your
departmental files and you and I were
examining some letters, some old and some
not so old, and in our examination we had
got down to the Niagara Frontier Club and
I believe your assistant in putting that
file before you now.

A. Yes.

Q. Now, then, in regard to the
Frontier Club, your friendship with it is
convenient to follow these clubs in the
appendices and I have some of them here
under "7" and "8".

THE COMMISSIONER: Yes, I have them.

MR. BERRY: It is in Exhibit 100, your

Exhibit.

THE COMMISSIONER: I have just sent for

my copy to send now, it will be here in a

moment.

MR. BERRY: Q. In order to move along

a little more rapidly with the hearing, I



1 it would be helpful if we dealt with the first
2 two or three in some detail in your "C" file
3 and "O" file and then we can move into the
4 parts of the file with which we are
5 particularly interested.

6 A. Yes.

7 Q. The Niagara Frontier Club was
8 incorporated in 1949.

9 THE COMMISSIONER: It is in Appendix "K",
10 is it?

11 MR. ESTEY: The first, sir, appears at
12 253 itself, and at page 74.

13 THE COMMISSIONER: Thank you.

14 MR. ESTEY: Q. The Niagara Frontier
15 Club was incorporated in 1949?

16 A. It was incorporated on December 6th,
17 1949.

18 Q. And at that time it was located,
19 I take it, at the address specified,
20 1760 Buchanan Street?

21 A. That is right.

22 Q. And shortly thereafter, three
23 years after, a move became necessary because
24 of the termination of the lease, and the
25 change of address was noted in the
26 supplementary letters patent; do you see
27 that?

28 A. Yes, I have a copy before me.
29 They applied for supplementary letters patent
30



it would be helpful if we dealt with the issue

two or three in some detail in your "C" file

and "O" file and then we can move into the

part of the file with which we are

concerned.

A. Yes.

Q. The Niagara Frontier Club was

incorporated in 1947.

THE COMMISSIONER: It is in your "X" file.

A. Yes.

MR. EATY: The first, sir, appears at

253 itself, and at page 74.

Q. The Niagara Frontier Club was

MR. EATY: Q. The Niagara Frontier

Club was incorporated in 1947.

A. It was incorporated on December 31st,

1947.

Q. And at that time it was located,

I take it, at the address specified,

1000 Broadway, New York?

A. That is right.

Q. All right, Commissioner, when

you first saw the letter, was it

of the termination of the lease and the

change of address was noted in the

supplementary letter patent; do you see

that?

A. Yes, I have a copy before me.

Q. All right, the supplementary letter patent



1 in 1952 and it was referred to the police and the
2 report was that the premises were not suitable
3 and the supplementary letters patent were
4 refused. Subsequently they applied for
5 supplementary letters patent again in
6 February, 1953, at 1292 Ferry Street. It
7 was referred to the police and there was no
8 objection and the supplementary letters
9 patent were granted.

10 Q. Then in your file "O", 28197,
11 there is a letter of the 13th of April, 1960,
12 addressed to your Department from the police.
13 I think it is from the Niagara Falls Police
14 and is dated April 13th, 1960?

15 A. Yes, I have it here.

16 THE COMMISSIONER: Q. What is it?

17 A. It is a letter dated April 13th,
18 1960, to L.R. Graham, Departmental Solicitor,
19 from Norman J. Byers, Deputy Chief of Police
20 in charge of the morality squad, Niagara
21 Falls, Ontario. It says:

22 "Dear Sir:

23 "With reference to correspondence
24 "regarding application for supplementary
25 "letters patent from Messrs. Raymond,
26 "Spencer, Law & MacInnes, Barristers,
27 "24 Dorothy Street, Welland, Ontario,
28 "to change the Corporation from
29 "1292 Ferry Street to 1693 Victoria
30



In 1942 and it was referred to the police and the
report was that the premises were not suitable
and the supplementary letter patent were
refused. Subsequently they applied for
supplementary letter patent in
1943, but the supplementary letter patent
was referred to the police and there was no
objection and the supplementary letter
patents were granted.

Q. Then in your file "O", 2157,
there is a letter of the 13th of April, 1943,
addressed to your Department from the police,
a copy of which was sent to the police
and is dated April 13th, 1943?
A. Yes, I have it here.

THE COMMISSIONER: Q. What is it?
A. It is a letter dated April 13th,
1943, to M.R. Graham, Departmental Solicitor,
from Norman J. Byrne, Deputy Chief of Police
in charge of the morality squad, Kansas
State, Kansas. It says:

"Dear Sir:
"With reference to correspondence
"regarding application for supplementary
"letter patent from Henry, Graham,
"Graham, and is hereby notified,
"the morality squad, Kansas, advised
"the morality squad is hereby notified
"that the morality squad is hereby notified"



1 "Avenue, Niagara Falls, Ontario,

2 "I beg to advise that the
3 "premises at 1693 Victoria Avenue
4 "where this proposed club would be
5 "located is at present operated
6 "by Peter Sacco, 1663 Slater
7 "Avenue, Niagara Falls, Ontario,
8 "and later as the 'Ramsay Club'.

9 "These clubs have been raided
10 "numerous times by our Department,
11 "also by the Ontario Provincial
12 "Police Anti-Gambling Squad. The
13 "last raid was conducted by the
14 "latter on August 19th, 1958,
15 "when fifty found-ins were charged,
16 "dismissed by His Worship Magistrate
17 "H. Hallett in February, 1959,
18 "when it was determined that the
19 "club was operated under a legal
20 "Federal Charter. Later the
21 "'Ramsay Club' moved to a new
22 "location at 1648 Stanley Avenue,
23 "and are operating at this
24 "location in the same manner.

25 "On May 1, 1952, Peter Sacco,
26 "1663 Slater Avenue, Niagara Falls,
27 "Ontario was convicted of being
28 "the Keeper of a Common Gaming
29 "House at 1717 Victoria Avenue,
30



"located in at present operated
"These clubs have been raided
"numerous times by our Department
"This raid was conducted by the
"H. Hallett in February, 1932,
"when it was determined that the
"Hannay Club moved to a new
"and are operating in this
"location in the same manner.
"On May 1, 1932, Peter Secor,
"Ontario was convicted of being
"a member of a racketeering
"organization."



1 "Niagara Falls, Ontario, and fined \$2,500
2 "and costs, and is now operating the
3 "premises at 1693 Victoria Avenue
4 "under the pretense of running a
5 "social club, which incidentally
6 "has been raided by our Department
7 "several times in recent months.

8 "In view of all the circum-
9 "stances I feel if this Charter is
10 "transferred to these premises,
11 "and knowing the Proprietor as I
12 "do, it would only be used as
13 "another gambling establishment.
14 "I therefore do not recommend this
15 "transfer.

16 "Respectfully submitted,

17 "Norman J. Byers,

18 "Deputy Chief of Police

19 "Officer in Charge of Morality Squad."

20
21 MR. ESTEY: That would be who, the
22 municipal police force?

23 A. Yes, the municipal police force.

24 Q. Then I think you received at least
25 one report from the Ontario Provincial Police
26 in which they recommend not only not granting
27 the supplementary letters but also the
28 cancelling of the charter.

29 A. There is a report of April 22nd,
30 1960, from Sergeant J.A. Morden, addressed



"and costs, and is now operating the

"under the pretense of running a

"which was, which is, which is

"and which is, which is, which is

"which is, which is, which is

"In view of all the other-

"because I feel it this character is

"transformed to these premises,

"and knowing the proprietor as I

"do, it would only be used as

"which is, which is, which is

"I therefore do not recommend this

"transfer, -

"which is, which is, which is

"which is, which is, which is

"which is, which is, which is

"Officer in charge of Morality Squad."

MR. WATSON: That would be who, the

"which is, which is, which is

"which is, which is, which is

Q. Then I think you received at least

one report from the Ontario Provincial Police

in which they recommend not only not granting

the application but also the

cancellation of the charter.

A. I am not aware of that.

Q. I am not aware of that.



1 to the Deputy Commissioner.

2 Q. And the letter to you is dated
3 the 25th of April, is it?

4 A. April 25th, 1960.

5 Q. Now, I believe in the Ontario
6 Provincial Police Report the recommendation
7 is that the charter be cancelled?

8 A. Yes, he concludes by saying,
9 "I do not recommend the transfer". There
10 is also another report.

11 Q. Can you find where Sergeant
12 Morden in a report forwarded to you suggests
13 the charter be cancelled? He leads up to
14 that by referring to Peter Sacco/^{being} ~~bring~~
15 involved in gambling on these premises
16 and he concludes with, "The charter should
17 be cancelled". Do you see that?

18 A. He says, Mr. Estey, "I do not
19 recommend the transfer." There is a report
20 here from the Provincial Police ---

21 THE COMMISSIONER: Let us get one thing
22 at a time. You were referring to a letter
23 dated April 25th, 1960?

24 A. Yes.

25 Q. What did it recommend?

26 A. The letter of April 25, 1960, is
27 merely a covering letter and I find attached
28 to it a special report dated April 24th, from
29 Sergeant J.A. Morden.
30



Q. And the letter to you is dated

the 25th of April, is it?

A. April 25th, 1960.

Q. Now, I believe in the Ontario

Provincial Police Report the recommendation

is that the charter be cancelled?

A. Yes, he concludes by saying,

"I do not recommend the transfer". There

is also another report.

Q. Can you find where Sergeant

Morden in a report forwarded to you suggests

the charter be cancelled? He leads up to

that by referring to Peter Sacco's ^{being} ~~being~~

involved in gambling on these premises

and he concludes with, "the charter should

be cancelled". Do you see that?

A. He says, Mr. Wasey, "I do not

recommend the transfer." There is a report

here from the Provincial Police --

Q. Now, Wasey, let us get one thing

at a time. You were referring to a letter

dated April 25th, 1960.

A. Yes.

Q. Now, let us go back to

1. The letter of April 25, 1960, in

which a covering letter and I find referred

to is a special report dated April 24th, from

Inspector W. J. Wasey.



1 Q. What did Mr. Morden's report say?

2 A. Morden's report, my lord, says:

3 "1. Having reference to the above
4 "mentioned subject, and letter dated
5 "14th April, 1960, over signature of
6 "Deputy Commissioner James Bartlett,
7 "and attached correspondence regarding
8 "'Application for Supplementary Letters
9 "'Patent' from Messrs. Raymond, Spencer,
10 "Law & MacInnes, Barristers,
11 "24 Dorothy Street, Welland, Ontario,
12 "re changing Corporation from
13 "1292 Ferry Street to 1693 Victoria
14 "Avenue, Niagara Falls, Ontario, the
15 "following is for your information,
16 "please.

17 "2. I should first like to refer
18 "to my report dated 15th May, 1958,
19 "'Cataract Hunting and Fishing Club',
20 "re Application for Incorporation,
21 "Niagara Falls Detachment File -
22 "CR 11-58. This is the same
23 "premises, 1693 Victoria Avenue,
24 "Niagara Falls, Ontario.

25 "3. The premises, 1693 Victoria
26 "Avenue, where the proposed club
27 "would be located, presently is
28 "operated by one Peter Sacco,
29 "1663 Slater Avenue, Niagara Falls,
30



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100. ...



1 "Ontario, and has in the past been known
2 "as 'Polo Club', 'Gold Field Club',
3 "and the 'Ramsey Club'. All the
4 "above mentioned clubs have in the
5 "past been the subject of raids by
6 "the Anti-Gambling Squad, Ontario
7 "Provincial Police, also the Niagara
8 "Falls City Police Department. The
9 "'Ramsey Club' at present is in
10 "operation at 1648 Stanley Avenue,
11 "Niagara Falls, Ontario. On the
12 "19th August, 1958, a raid conducted
13 "by the Anti-Gambling Squad, O.P.P.,
14 "at 1693 Victoria Avenue, resulted
15 "in fifty (50) found-ins being
16 "charged, also four (4) keepers,
17 "however, the charges were dismissed
18 "by His Worship Magistrate Hallett
19 "when it was established the club
20 "was operating on a Federal Charter.
21 "4. I am advised by Deputy Chief
22 "Constable Norman Byers, Niagara
23 "Falls City Police Department, that
24 "in recent months his officers have
25 "conducted several raids on this
26 "premises (1693 Victoria Avenue)
27 "and that Peter Sacco, 1663 Slater
28 "Avenue, Niagara Falls, Ontario,
29 "is operating, undoubtedly, a gaming
30



"is operating; undoubtedly, a sailing
"company, which was, certainly,
"and also took place, and which
"commenced (that Victoria Avenue)
"located several miles from the
"in fact within the district area
"which city police department, that
"possibly were there, clearly
"I am advised by Deputy Chief
"was operating on a Federal Charter.
"When it was established the club
"by his Worship Magistrate Halliday
"however, the changes were discussed
"changed, also four (4) keepers,
"in fifty (50) found-in being
"at 1893 Victoria Avenue, rented
"by the Anti-Gambling Squad, C.R.P.,
"last night, 1937, a full building
"Nelson Police, Ontario," on the
"connected to the British Columbia
"Nelson City as shown in the
"Nelson City Police Department, the



1 "house under the pretense of running
2 "a social club. It may be of further
3 "interest to know that Peter Sacco
4 "on 1st May, 1952, was convicted as
5 "a 'keeper of a common gaming house'
6 "at 1717 Victoria Avenue, Niagara
7 "Falls, Ontario, and was fined \$2,500
8 "and costs.

9 "5. In view of the above, there is
10 "no doubt should the charter be
11 "transferred to the suggested
12 "premises, (1693 Victoria Avenue)
13 "with the present proprietor's
14 "reputation, it will only be another
15 "gambling joint, therefore, I must
16 "concur with Deputy Chief Constable
17 "Norman Byer's opinion in this
18 "connection and I do not recommend
19 "the transfer. The Deputy Chief
20 "Constable fully shares my views in
21 "this matter.

22 "6. Respectfully submitted."

23 "J.A. Morden"

24 "Sergeant J.A. Morden (504)"

25 "Deputy Commissioner James Bartlett."

26
27 (Page 12726 follows)
28
29
30



"a social class. It may be of interest

to know that the first

of the day, 1881, was omitted in

"a keeper of a common sailing vessel"

the 17th century, 1881, 1881

"Halle, Ontario, and was then \$2,500

"and cover, 1881, 1881

"5. In view of the above, there is

"no doubt should the charter be

"transferred to the alleged

"(1881, 1881, 1881, 1881)

"with the present proprietor's

"reputation, it will only be another

"(1881, 1881, 1881, 1881)

"concord with Deputy Chief Constable

"(1881, 1881, 1881, 1881)

"connection and I do not recommend

"(1881, 1881, 1881, 1881)

"Constable fully agrees my view in

"this matter.

"6. Respectfully submitted,

"(1881, 1881, 1881, 1881)

"Sergeant J.A. Morgan (1881)

(1881, 1881)



/FTP/1

1 Q. That is Sergeant Morden's report,
2 is it, Mr. Cudney?

3 A. Sergeant Morden's report. If I
4 may, Mr. Estey, there is a covering letter,
5 memorandum, also from Sergeant Anderson.

6 Q. That is right. What is the
7 effect of his recommendation?

8 A. He says in connection with, referring
9 to the letter:

10 "Peter Sacco and the premises at
11 "1693 Victoria Avenue have for a
12 "good many years been associated
13 "with illegal gambling in the City
14 "of Niagara Falls. Any organiza-
15 "tion or person who would surrender
16 "their charter or permit it to be
17 "transferred to such premises is
18 "co-operating with Sacco and his
19 "illegal activities and therefore
20 "should not be in possession of
21 "the charter which they are so
22 "willing to relinquish to a
23 "convicted gaming house keeper
24 "and premises that has been a
25 "notorious gaming house."

26 He says -- I am sorry, you mentioned the charter --

27 "I would respectfully suggest some
28 "action be taken to cancel the
29 "charter."
30



Q. That is Benjamin Morgan's report,

is it, Mr. O'Connell?

A. That is correct, Mr. O'Connell.

Q. Now, Mr. O'Connell, there is a covering letter,

and a letter from the committee,

Q. That is right. What is the

effect of his recommendation?

A. He says in connection with, referring

to the letter:

"Robert Hesse and the president of

"the National Association of

"Good many years have been associated

"with illegal gambling in the City

"of Niagara Falls. Any organization

"action or person who would surrender

"their charter or permit it to be

"surrendered to any person in

"the City of Niagara Falls is

"illegal activities and therefore

"should not be in possession of

"the charter which they are no

"willing to relinquish to a

"convicted gaming house keeper

"and president that has been a

"member of the National Association

"He says -- I am sorry, you mentioned the charter --

"I would respectfully suggest some

"action be taken to cancel the

"charter."



1 Q. Yes, that is the one I wanted to
2 get at, that is Sergeant Anderson I believe?

3 A. Yes.

4 Q. Now, in fact, that charter was
5 not cancelled in 1960 or '61, I take it?

6 A. No, it has not been cancelled.

7 Q. If I may use the expression, it
8 is "in the mill" now, at least the file looks
9 that way?

10 A. It has been kept -- they applied
11 for the first supplementary and they were
12 turned down. They applied for the second
13 supplementary. Favourable police reports --
14 they were granted. Then they applied for
15 a second ---

16 Q. Then applied for a further
17 change, that is the one you are in now?

18 A. Further change, and that was
19 turned down. Then there was an enquiry as
20 to -- for another change of premises, and
21 I wrote -- discussed it with the Minister
22 and I wrote to the police in regard to the
23 further change. The Niagara Falls Police
24 approved but the Provincial Police
25 objected.

26 Q. Can we go through that just in
27 order, because chronologically I think it
28 is easier to follow.

29 A. Yes.
30



Q. Yes, that is the one I wanted to
get at, that is Sergeant Anderson I believe?
A. Yes.
Q. Now, in 1900, when changes were
not cancelled in 1900 or '01, I believe they
A. No, it has not been cancelled.
Q. If I may use the expression, is
it "in the mill" now, at least the file looks
that way?
A. It has been kept -- they applied
for the first supplementary and they were
turned down. They applied for the second
supplementary. Favourable police reports --
they were granted. Then they applied for
a second --
Q. Then applied for a further
change, that is the one you are in now?
A. Further change, and that was
turned down. Then there was an enquiry as
to -- for another change of premises, and
I wrote -- discussed it with the Minister
and I wrote to the police in regard to the
matter. The Minister's letter
approved but the Provincial Police
objected.
Q. Can we go through that just in
order, because sometimes I get lost
is easier to follow.
A. Yes.



1 Q. You have dealt with the report of
2 April 22nd forwarded to you by letter of
3 April 25th, 1960, in which we have Sergeant
4 Anderson's recommendation. Then I think
5 the next police report is August 8th, 1960,
6 from the Provincial Police to your
7 Department?

8 THE COMMISSIONER: What date?

9 MR. ESTEY: August 8th, 1960, Mr.
10 Commissioner.

11 THE WITNESS: Yes, August 8th, 1960.

12 MR. ESTEY: Q. That is the date of the
13 letter?

14 A. Yes.

15 Q. In which they say in part:

16 "Bilotta is a known gambler and does
17 "not enjoy a good reputation."

18 Do you see that report?

19 A. It says here:

20 "Bilotta, a prospective lessee,

21 "is, in the writer's opinion,

22 "acting as a front in this

23 "connection and he is probably

24 "a member of the above club."

25 It says:

26 "Inquiries were made as to the

27 "person who intended to rent

28 "or lease these premises, and

29 "it was learned one Antonio
30



Q. You have dealt with this report of April 22nd forwarded to you by letter of April 22nd, 1930, in which Mr. Anderson's recommendation, when I think the writer reports in August 28th, 1930, from the President's office to the Commission.

Q. THE COMMISSIONER: What date?

MR. GURNEY: August 28th, 1930.

Commissioner.

Q. THE COMMISSIONER: What date of the MR. GURNEY: Q. That is the date of the letter?

A. Yes.

Q. In which case was it made?

"Adopted in a known manner and does not enjoy a good reputation."

Do you see that report?

Q. Is that report?

MR. GURNEY: A. Yes, that is the writer's opinion, acting as a front in this connection and he is probably a member of the above class."

It says:

"It was learned one of the persons of these persons, and"



1 "Bilotta, 1528 Lewis Avenue, Niagara

2 "Falls, Ontario, a known gambler.

3 "Said inquiries indicate he is a

4 "person who does not enjoy a good

5 "reputation."

6 Q. Yes, these police reports, I think,
7 are all for 1960 until we come to a letter of
8 6th December, 1960, from the Mayor of Niagara
9 Falls, Mr. F. Miller, to your Department?

10 A. Yes.

11 Q. I think that letter starts off
12 with a reference to a telephone conversation,
13 and I take it that you had spoken to the
14 Mayor on the telephone, or somebody had in
15 your Department?

16 A. I think what happened, he likely
17 telephoned me in respect to the change.

18 Q. Yes?

19 A. And there was some confusion as
20 to the name and he wrote concerning the
21 name.

22 Q. And was there any discussion --
23 I think the letter goes on to say, does it
24 not, that this charter, when issued, was
25 met with favour by the Honourable Premier
26 and so on. Is that the letter?

27 A. Yes, that is the letter.

28 Q. Do you mind reading the letter,
29 part of the letter at any rate?
30



Q. Now, the letter, is it?

A. Yes, that is the letter.

Q. And the letter is in a

"person who does not enjoy a good

reputation."

Q. Yes, these police reports, I think,

are all for 1960 until we come to a letter of

6th December, 1960, from the Mayor of Niagara

Falls, Mr. R. Miller, to your Department?

A. Yes.

Q. I think that letter states that

with a reference to a telephone conversation

and I think that you had spoken to the

Mayor on the telephone, or somebody had in

your Department?

A. Yes, that is correct.

Q. And you telephoned me in respect to the change.

A. Yes.

Q. And there was some confusion as

to the name and he wrote concerning the

name.

Q. And was there any discussion --

I think the letter goes on to say, does it

not, that the letter is in a

man with favour by the Honorable Premier

and so on. Is that the letter?

A. Yes, that is the letter.

Q. Do you mind reading the letter,

part of the letter at any rate?



1 A. It is December 6th, 1960, addressed
2 to me from Mayor Miller, Niagara Falls, Ontario:

3 "I believe this charter was
4 "issued on December 6, 1949, and has
5 "been kept active since that date."

6 THE COMMISSIONER: And what?

7 A. " . . . and has been kept active
8 "since that date. This charter, when
9 "issued, was met with favour by the
10 "Honourable Premier who at the time
11 "was going as far as to allow them
12 "to have beer in the club.

13 "Due to the fact that their original
14 "address was two blocks from St. Ann's
15 "Roman Catholic Church, it had to
16 "be denied at that time.

17 "I trust this is the information
18 "you require.

19 "Yours very truly,

20 "F.J. Miller, Mayor."

21 MR. WILSON: I don't know what that has
22 to do with what we are inquiring into, other
23 than to bring in the name of the Premier
24 of 1949.

25 THE COMMISSIONER: I have not seen any
26 of this material, Mr. Wilson. I don't know
27 what ---

28 MR. ESTEY: I think the relevance of
29 that comes out right now.
30



A. It is December 2nd, 1900, and I am

to me from Major Alfred, Highland Falls, Ontario:

I believe this letter was

"inserted on December 2, 1900, and has

"been kept active since that date."

THE COMMISSIONER: And where?

A. ... and has been kept active

"since that date. This letter was

"inserted, was not with favor by the

"Honorable Premier who at the time

"was going as far as to allow that

"so have been in the club.

"Due to the fact that their original

"address was two blocks from St. Anne's

"Roman Catholic Church, it had to

"be denied at that time.

"A letter was sent to the

"The Premier.

"There was a letter

"to the Premier.

MR. WILSON: I don't know what time that

to do with what we are indicating here, don't

then to bring in the name of the Premier.

THE COMMISSIONER: I have not seen any

of this material, Mr. Wilson. I don't know

MR. BERRY: I think the relevance of



1 Q. Mr. Cudney, that correspondence was
2 in the course of your position as Deputy
3 Provincial Secretary, relayed to the two
4 police departments on the police referral?

5 A. Yes.

6 Q. For approval, for comments on
7 this application?

8 A. Apparently when he had called he
9 had mentioned -- you see, this was not a
10 formal application but it was an enquiry
11 whether they could move to another address.
12 You see, they had been located one address,
13 they had been turned down by supplementary
14 on two others on unfavourable police reports,
15 and this is a new address that likely was
16 mentioned in the telephone conversation
17 because in my letter to the police I mention
18 the new address that has been ---

19 THE COMMISSIONER: What is that new
20 address?

21 A. The proposed address, sir, was
22 to change these premises to 1027 Centre
23 Street, Niagara Falls.

24 MR. ESTEY: Q. Then you received a
25 report from Commissioner Clark in that
26 connection on 22nd December, 1960, is that
27 correct?

28 A. December 22nd, 1960.

29 Q. And that report deals with some
30



Q. Mr. Gudney, that correspondence was

in the course of your position as Deputy

Provincial Secretary, relayed to the two

police departments on the police matters?

A. Yes.

Q. For approval, for comment or

this application?

A. Apparently when he had called he

had mentioned -- you see, this was not a

normal application but it was an enquiry

whether they could move to another address,

you see, they had been located one address,

they had been turned down by a policeman,

on two others on unfavorable police reports,

and this is a new address that likely was

mentioned in the telephone conversation

because in my letter to the police I mention

the new address that has been --

THE COMMISSIONER: What is that new

address?

A. The address is 1007 Centre

to change these premises to 1007 Centre

Street, Montreal.

MR. PATRY: Q. Then you received a

report from Commissioner Clark in that

connection on 22nd December, 1960, in that

connection?

A. Yes, that's correct.

Q. And that report deals with some



1 discussions that the Provincial Police had with
2 the municipal police. Is that letter lengthy?

3 A. It is not too long. There is
4 Mr. Clark's covering letter and then there is
5 a page and a half letter from Sergeant
6 Anderson to the Commissioner.

7 Q. Sergeant Anderson does not recommend
8 the approval of that change, I take it?

9 A. "In my opinion some of the
10 "gambling fraternity . . ." --
11 this is Sergeant Anderson --

12 "In my opinion some of the
13 "gambling fraternity, possibly the
14 "opposition, feel that they are
15 "losing a golden opportunity to
16 "have a gambling establishment
17 "of their own and are bent on
18 "doing just that."

19 Then he mentions:

20 "Chief Constable Pay informed me
21 "some time ago the Mayor had
22 "approached him about this
23 "organization and all the
24 "opposition to it, and informed
25 "the Chief that he was going to
26 "do something about it as one of
27 "the persons . . ."

28 Will I go on?

29 THE COMMISSIONER: Go on, yes.
30



discussing that the Provincial Police had with
the municipal police. Is that letter lengthy?

A. It is not too long. There is

Mr. Clark's covering letter and then there is

a page and a half letter from Sergeant

Anderson to the Commissioner.

C. Sergeant Anderson does not recommend

the approval of that change, I take it?

A. "In my opinion some of the

changes proposed are --

this is Sergeant Anderson --

"In my opinion some of the

changes proposed, namely, to

"opposition, feel that they are

"losing a golden opportunity to

"have a gambling establishment

"of their own and are bent on

losing it."

Then he mentions:

"Chief Constable Ray informed me

"some time ago the Mayor had

"approached him about this

"organization and all the

"opposition to it, and informed

"the Chief that he was going to

"do something about it as one of

"the persons . . ."

Will I go on?

THE COMMISSIONER: Go on, yes.



1 A. " . . . as one of the persons
2 "behind it was the Conservative
3 "organizer of the district."

4 MR. ESTEY: Q. This is the point I want
5 to get at. Chief Pay's letter to you of
6 19th December gives you a conditional approval
7 of this move, does it not?

8 A. It is a very short letter he
9 writes to me. He said:

10 "In view of your letter from
11 "His Worship Mayor F.J. Miller,
12 "Niagara Falls, regarding the above
13 "named club wishing to change its
14 "location to 1027 Centre Street,
15 "Niagara Falls, Ontario, I have no
16 "objection to this change of the
17 "club premises."

18 Q. Yes. The discussion as reported
19 by Sergeant Anderson is somewhat different
20 than that, is it not?

21 A. Yes, from Sergeant Anderson's
22 report.

23 Q. Yes. In the year 1960, at least,
24 Mr. Cudney, no action was taken by your
25 Department to cancel the letters patent of
26 the Italian Niagara Frontier Club?

27 A. No, a supplementary was refused.
28 It was actually -- it was two -- three
29 proposed changes were all refused after
30



A. " . . . an one of the persons

"behind it was the conservative

"organizer of the district."

Q. Now, this is the point I want

to get at. Chief Taylor's letter to you of

19th December gives you a conditional approval

of this move, does it not?

A. It is a very short letter he

writes to me. He says:

"In view of your letter from

"the people of the Yukon, I am

"pleased to say, regarding the move

"named also wishing to change the

"district to the Yukon River,

"Yukon River, Ontario, I have no

"objection to this change of the

"district."

Q. Now, Sergeant Anderson is somewhat different

than that, is it not?

A. Yes, from Sergeant Anderson's

Q. Yes. In the year 1900, at least,

Mr. Gurney, no action was taken by your

Department to cancel the letters patent on

the patent on the Yukon River.

It was actually -- it was two -- three

proposed changes were all refused at the



1 reference to the police, and I discussed the
2 matter with my Minister. I see I wrote him a
3 memorandum -- I am sorry, I was away and that
4 was from Mr. Lavine.

5 Q. February 1st, 1961?

6 A. 1961, yes.

7 Q. That was from Mr. Lavine to Mr.
8 Yaremko?

9 A. To Mr. Yaremko, yes.

10 Q. At that time you were saying ---

11 A. I was away at that time.

12 Q. What is the effect of that
13 memorandum?

14 A. Well, it advises, it says:
15 "~~Some time~~ last year the corporation
16 "applied to this Department for
17 "supplementary patent changing its
18 "address where it carries on its
19 "activities from 1292 Ferry Street
20 "to 1693 Victoria Avenue in the
21 "City. In accordance with
22 "departmental practice the
23 "application was referred to the
24 "Provincial Police and to the
25 "police of Niagara Falls. Both
26 "departments objected to the
27 "change, and accordingly the
28 "application was refused.
29 "Subsequently Messrs. Raymond,



reference to the police, and I discussed the
 matter with my Minister. I see I wrote him a
 memorandum -- I am sorry, I was away and that
 was from Mr. Irvine.

Q. February 1st, 1901?

A. Yes.

Q. That was from Mr. Irvine to Mr.

Yarwood?

A. Yes, Mr. Yarwood.

Q. At that time you were saying --

A. I was saying at that time.

Q. What is the effect of that

memorandum?

A. Well, it advises, it says:

"~~XXXXXXXXXX~~ Last year the corporation

"applied to this Department for

"supplementary patent changing the

"address where it carries on its

"business from 152 West 10th

"to 1003 Victoria Avenue in the

"City. In accordance with

"Departmental practice the

"application was referred to the

"Provincial Police and to the

"Police Division, and

"Departmental objections to the

"change, and accordingly the

"application was refused.

"XXXXXXXXXX



1 "Spencer, Law & MacInnes, solicitors
2 "for the corporation, requested
3 "approval of the change of location
4 "to 1027 Centre Street, Niagara
5 "Falls. This location apparently
6 "has the approval of the Mayor of
7 "Niagara Falls and the Chief of
8 "Police. I think it is fair to
9 "say the Chief of Police has now
10 "agreed in view of the fact that the
11 "Mayor is favourable to the change.
12 "The Ontario Provincial Police,
13 "however, feel just as strongly
14 "about the new place as the old.
15 "Their objections are apparently
16 "that the persons behind this
17 "charter are known gamblers, so
18 "presumably the Provincial Police
19 "would object to the new location.

20 "In view of the fact that
21 "the Mayor has approved of the new
22 "location, I would enquire as to
23 "whether the Department should now
24 "agree to the proposed change."

25 Q. There is no mention in the
26 memorandum of the police recommendation for
27 cancellation of the charter, is there?

28 A. No. Actually the police --
29 well, you see, this was following Miller's
30



...the change of location
...to 1021 Centre Street, Niagara
...has the approval of the Mayor of
...Niagara Falls and the Chief of
...Police. I think it is fair to
...say the Chief of Police has now
...agreed with the fact that the
...Mayor is favorable to the change.
...However, I feel that an strongly
...about the new place as the old.
...that the persons behind this
...would object to the new location.
...In view of the fact that
...the Mayor has approved of the new
...location, I would endorse as to
...whether the Department should now
...agree to the proposed change."
Q. There is no mention in the
memorandum of the police recommendation for
relocation of the Department, is there?
A. No. Actually the police --



1 enquiry. The police recommendation for the
2 cancellation of the charter had been ---

3 Q. Back in April, 1960?

4 A. In April, 1960.

5 Q. April 22nd, 1960?

6 A. That is right.

7 Q. And this memorandum is December --
8 excuse me, February 8, 1961?

9 A. February 8th, 1961, yes.

10 Q. Then the next event seems to hinge
11 around a further attempt to move this club,
12 12th July.

13 THE COMMISSIONER: Just a moment. The
14 memorandum from Lavine to Yaremko winds up by
15 an inquiry as to what ought to be done, is
16 that it?

17 A. "In view of the fact that the
18 "Mayor has approved the new location,
19 "I would enquire as to whether the
20 "Department should now agree to the
21 "proposed change."

22 MR. ESTEY:

23 / Q. That seems rather odd in that there
24 is no policy of referral ---

25 MR. WILSON: That is not a question,
26 that is a statement.

27 THE COMMISSIONER: Just a moment.

28 MR. WILSON: "It seems rather odd".

29 MR. ESTEY: I was going to put a question
30 mark at the end of it to qualify it.



...the police ...

cancellation of the charter had been ...

...back in April, 1907

...in April, 1907

...April, 1907

...That is right.

...and was ...

...excuse me, February 8, 1907

...February 8, 1907

...February 8, 1907

...around a further attempt to move this club,

...this.

THE COMMISSIONER: Just a moment. The

memorandum from having to Yonkers which up to

an inquiry as to what ought to be done, is

...this.

A. "In view of the fact that the

"Mayor has approved the new location,

"I would endorse as to whether the

"Department should now agree to the

...this.

MR. ESTEY:

Q. That seems rather odd in that there

is no policy of referral ...

MR. WILSON: That is not a question,

that is a statement.

THE COMMISSIONER: That is a statement.

MR. WILSON: It is a statement.

MR. ESTEY: I was going to put a question

mark at the end of it to qualify it.



1 Q. There is no policy of referral
2 to the Mayor, is there?

3 A. Policy to refer clubs to the ---

4 Q. Yes.

5 A. No, the only time we refer, if
6 there is no local police in the municipality,
7 say a township, we write to the township
8 clerk.

9 THE COMMISSIONER: Well, there is a
10 memorandum dated February, 1961, from Lavine
11 to Mr. Yaremko enquiring whether he ought
12 now, in the light of the Mayor's approval,
13 to allow the supplementary letters patent
14 to be granted?

15 A. Yes.

16 Q. Changing the address. All
17 right, what was the answer to the memo?

18 A. Then there is another ---

19 Q. What was the answer to the memo?
20 Then I will get it in chronological order.

21 A. There is nothing on the file
22 which indicates, my lord, any answer.

23 Q. All right, you started to say
24 "there is another" something?

25 A. There is a memorandum dated
26 March 17th, 1961, from Mr. Lavine to Mr.
27 Yaremko in respect to the same club. Would
28 I read that?
29

30 Q. Yes, please.



Q. There is no policy of non-interference.

A. Policy to refer cases to the --

A. No, the only time we refer, is

there is no local police in the municipality,

any a township, we write to the township

THE COMMISSIONER: Well, there is a

to Mr. Yarnsno explaining whether he ought

now, in the light of the Mayor's approval,

to refer the case to the Mayor's approval.

Q. Changing the address. All

right, what was the answer to the memo?

A. Then there is another --

Q. What was the answer to the memo?

Then I will get it in chronological order.

A. There is nothing on the file

Q. All right, you started to say

A. There is a memorandum dated

Yarnsno in respect to the same club. Would

I read that?

Q. Yes, please.



1 A. "This corporation was incorporated
2 "by letters patent dated December 6,
3 "1949. The letters patent restricted
4 "the activities to 1760 Buchanan
5 "Street, Niagara Falls. By supplementary
6 "letters patent dated March 26, 1953,
7 "the location was changed to 1292
8 "Ferry Street, Niagara Falls. On
9 "April 8th, 1960, the club, through
10 "its solicitor, D.G. Humphrey,
11 "applied for supplementary letters
12 "patent changing the location of its
13 "activities from 1292 Ferry Street
14 "to 1693 Victoria Avenue in the City
15 "of Niagara Falls. In accordance
16 "with our practice the application
17 "was referred to the Chief Constable,
18 "Niagara Falls, and the Ontario
19 "Provincial Police. We were
20 "informed by the Deputy Chief of
21 "Niagara Falls that the premises
22 "1693 Victoria Avenue were owned
23 "by one Peter Sacco and were
24 "formerly the premises of a number
25 "of clubs that had been raided
26 "at numerous times by his
27 "department and by the O.P.P.
28 "Also in 1952 Peter Sacco had
29 "been convicted of keeping a common
30



"been convicted of keeping a common

"Also in 1932 Peter Sacco had

"department and by the O.P.D.

"at numerous times by his

"of clubs that had been raided

"formerly the premises of a number

"by one Peter Sacco and were

"1033 Victoria Avenue were owned

"Peter Sacco and his partner

"informed by the Deputy Chief of

"Provincial Police. We were

"Sacco and his partner

"was referred to the Chief Constable,

"Sacco and his partner

"of Niagara Falls. In accordance

"to 1033 Victoria Avenue in the City

"Sacco and his partner

"patent changing the location of the

"Sacco and his partner

"Sacco and his partner

"Sacco and his partner

"Sacco and his partner

"Sacco and his partner

"Sacco and his partner

"Sacco and his partner

"Sacco and his partner

"the referred to 1930 Sacco

"Sacco and his partner

"Sacco and his partner

"This corporation was incorporated



1 "gaming house at 1717 Victoria Avenue.

2 "He recommended against approving the
3 "change of premises.

4 "The Ontario Provincial Police
5 "advised that they wished to have some
6 "action taken to have the charter
7 "cancelled. They informed us that
8 "Peter Sacco, who owned and operated
9 "the premises at 1693 Victoria
10 "Avenue, had for a good many years
11 "been associated with illegal gambling
12 "in Niagara Falls. Accordingly the
13 "application for the change was
14 "refused.

15 "In July, 1960, the solicitor
16 "for the club wrote to this Department
17 "requesting a change to 1039 Centre
18 "Street. The matter was again
19 "referred to the Chief Constable in
20 "Niagara Falls and the Provincial
21 "Police, and the Deputy Chief of
22 "Police replied that the proposed
23 "premises, 1039 Centre Street, was
24 "a building located at a busy
25 "intersection, and that the party
26 "applying for the lease of the
27 "premises was known to the Deputy
28 "Chief of Police for a number of
29 "years as a gambler. He therefore
30



"Gaining house at 1111 Victoria Avenue.

"He recommended against approving the

"action taken to have the chapter

"cancelled. They informed us that

"Robert Gagne, who owned and operated

"the premises at 1033 Victoria

"Avenue, had for a good many years

"been associated with illegal gambling

"in Niagara Falls. Accordingly the

"application for the change was

"In July, 1900, the Board

"for the club wrote to the Board

"requesting a change to 1033 Centre

"Street. The matter was again

"referred to the Chief Constable in

"Niagara Falls and the Provincial

"Police, and the Deputy Chief of

"Police stated that the premises

"premises, 1033 Centre Street, was

"a building located at a busy

"intersection, and that the party

"applying for the lease of the

"premises was known to the Deputy

"Chief of Police for a number of

"years as a gambler, and that



1 "did not recommend this change.

2 "The report of the Provincial
3 "Police was to the same effect, namely,
4 "the person who intended to lease the
5 "premises was one Antonio Bilotta,
6 "a known gambler. Accordingly the
7 "application was refused.

8 "In September, 1960, the
9 "solicitor again wrote to this
10 "Department requesting a change of
11 "premises to 1027 Centre Street.

12 "On December 7th we received a
13 "letter from His Worship Mayor Miller
14 "of Niagara Falls indicating he had
15 "no objection to this change.

16 "Mr. Cudney then wrote to the
17 "Chief of Police, Niagara Falls,
18 "and the Commissioner of the O.P.P.
19 "indicating that the Mayor of
20 "Niagara Falls understood there
21 "would be no objection to the new
22 "location of 1027 Centre Street.

23 "On December 20th we received
24 "a letter from the Chief of Police
25 "indicating that in view of the
26 "Mayor's letter he had no objection
27 "to the change.

28 "On December 22nd we received
29 "a letter from the Commissioner of
30



"The report of the Provincial

"Police was to the same effect, namely,

"the person who intended to leave the

"a known gambler. According to the

"On December 19th we received a

"letter from His Worshipful Mayor

"of Niagara Falls indicating he had

"no objection to this change.

"Mr. Gurney then wrote to the

"and the Commissioner of the U.S.P.

"indicating that the Mayor of

"Niagara Falls understood there

"would be no objection to the new

"Location of 1027 Centre Street.

"On December 20th we received

"a letter from the Chief of Police

"indicating that in view of the

"Mayor's letter he had no objection

"On December 22nd we received

"a letter from the Commissioner of



1 "the O.P.P. enclosing a copy of a report
2 "from Sergeant Anderson, in charge of
3 "his anti-gambling branch, indicating
4 "his reasons why the application
5 "should again be refused. The Commissioner
6 "agreed with the recommendation of
7 "Sergeant Anderson. A copy of
8 "Sergeant Anderson's memorandum of
9 "December 21st to the Commissioner
10 "of the O.P.P. is attached."

11 Q. Was there any reply on that file
12 to that memorandum, Mr. Gudney?

13 A. No, there is nothing further till
14 May 29th, 1961.

15 Q. What is that, a letter from you
16 to ---

17 A. Letter from me to Commissioner
18 Clark of the Provincial Police.

19 THE COMMISSIONER: Dated what?

20 A. May 29th, 1961.

21 Q. From you to -- ?

22 A. To Commissioner Clark of the
23 Provincial Police. This was a matter that
24 I had gone into the club situation in May,
25 it had come up, and I had discussed it with
26 Mr. Yarenko.

27 Q. What is your letter to ---

28 A. Dear Mr. Clark:

29 " Re: Italian Niagara Fronteir Club
30



"the O.P.R. enclosing a copy of a report
 "from Sergeant Anderson, in charge of
 the anti-slavery branch, indicating
 the reason for the commission
 of the crime of violence. The statement
 of the witness was as follows:
 "Sergeant Anderson. A copy of
 "Sergeant Anderson's memorandum of
 "December 21st to the Commissioner
 "of the O.P.R. is attached."

Q. Was there any reply on that file
 to the statement, Mr. Anderson?
 A. Yes, there is a letter from you
 dated May 1901.

Q. What is that, a letter from you
 to ---
 A. Letter from me to Commissioner
 Clark of the Provincial Police.

Q. The letter is dated May 1901.
 A. Yes, from you to ---?
 A. To Commissioner Clark of the
 Provincial Police. This was a letter that
 I had gone into the club situation in May,
 it had come up, and I had discussed it with
 Mr. Yarmenko.

Q. What is your letter to ---

A. Dear Mr. Clark:

and I have been thinking of



1 " I refer to a telephone
2 "conversation of recent date
3 "relevant to the above club.

4 " The activities of the club
5 "were by its letters patent limited
6 "to the premises known as 1760
7 "Buchanan Street, Niagara Falls.
8 "Subsequently by its supplementary
9 "letters patent dated March 26th,
10 "1953 the location of the premises
11 "was changed to 1292 Ferry Street,
12 "Niagara Falls. Since that date
13 "the club has sought to have the
14 "location of its club premises
15 "changed to at least two or three
16 "different addresses in Niagara Falls.
17 "On each occasion the matter was
18 "referred to you and we received
19 "an adverse report.

20 " I have had a resume made on
21 "our file for the club which resume
22 "is attached hereto.

23 " Recently my Minister, the
24 "Honourable John Yaremko, asked me
25 "to get in touch with you to ask
26 "you if you would be good enough to
27 "cause an inquiry to be made as to
28 "the address of the premises of the
29 "club it is presently occupying, the
30



"I refer to a telephone
conversation of recent date
relevant to the above club.
The activities of the club
were by the latter's patent limited
to the premises known as 1700
[illegible]
[illegible] by the [illegible]
[illegible]
[illegible] the location of the premises
was changed to 1702 Perry Street,
[illegible]
the club has sought to have the
location of its club premises
changed to at least two or three
[illegible]
On each occasion the matter was
referred to you and we received
an adverse report.
I have had a routine made on
out file for the club which routine
is attached hereto.
Recently my Minister, the
Honourable John Yaremko, asked me
to get in touch with you to ask
you if you would be good enough to
cause an inquiry to be made as to
the address of the premises of the
club it is presently occupying, the



1 "condition of such premises, whether
2 "the club has caused any recent
3 "difficulties with the police, and
4 "whether the proposed club premises,
5 "namely 1027 Centre Street, Niagara
6 "Falls are of such a lay-out that
7 "it would be difficult to police the
8 "same."

9
10 Q. Then he replied to that on 12th
11 of June, the letter of 12th June?

12 A. Yes, he replied on June 16th,
13 covering letter, but the report is dated June
14 12th, 1961, from Sergeant Anderson to
15 Commissioner Clark.

16 Q. What is the recommendation in
17 that report, if any?

18 A. Well, this reports, Mr. Estey,
19 is a review of the club. It was not a matter
20 of recommendation.

21 Q. I see.

22 A. The change of premises. It is
23 just, it is a memorandum of what are the
24 circumstances relating to the club and these
25 premises.

26 THE COMMISSIONER: So Mr. Clark was
27 asked by yourself, you acting on the instructions
28 of Mr. Yaremko, to get a further report as
29 to 1027 Centre Street. That was your letter
30 of May 29th?



"Committee on the subject, and

"the club has caused any amount

"disturbance with the police, and

"which is a matter of course.

"namely 1027 Centre Street, Niagara

"falls one of each a lay-out that

"it would be difficult to police the

"city."

Q. Then he replied to that on 12th

of June, the letter of 12th June?

A. Yes, he replied on 12th 1951,

covering letter, but the report is dated June

12th, 1951, from Sergeant Anderson to

Commissioner Clark.

Q. What is the recommendation in

that report, if any?

A. Well, it says, "it is recommended

is a review of the club. It was not a review

of recommendation.

Q. I see.

A. The change of premises. It is

stated, it is a memorandum of what are the

circumstances relating to the club and there

premises.

THE COMMISSIONER: So Mr. Clark was

asked by yourself, you acting on the instructions

of Mr. Yarnick, to get a further report on

to 1027 Centre Street. That was your letter

of 12th June?



1 A. Yes, that is right, my lord.

2 Q. All right. Clark replied when?

3 A. Clark wrote me on June 16th,
4 1961 enclosing a memorandum from Sergeant
5 Anderson dated June 12th, 1961.

6 MR. WILSON: Referred to what address,
7 I mean, what property or premises?

8 THE COMMISSIONER: 1027 Centre Street.

9 THE WITNESS: 1027 Centre Street.

10 THE COMMISSIONER: All right. You
11 said Anderson's report was just a resume?

12 A. Yes. Well, it reviews --
13 will I read it?

14 Q. You say it was just a resume?

15 A. A resume, yes.

16 Q. Was there any new material in it?

17 A. Yes, there was new material.

18 He says:

19 "The premises in general appear to
20 "be very unclean. There are two
21 "doors in the apartment off the
22 "hallway and neither is barricaded
23 "at the present time. The local
24 "police have visited the premises
25 "a few times and are keeping
26 "periodic checks on the place.

27 " The location of the club on
28 "the second floor could cause some
29 "delay in entering by investigating
30



A. Yes, that is right, my lord.

A. All right, my lord.

A. Glank wrote me on June 15th,

1901 enclosing a memorandum from Sergeant

Anderson dated June 15th, 1901.

MR. WILSON: Returned to what address,

I mean, what property or premises?

THE WITNESS: 127, Senate Street.

MR. WILSON: 127, Senate Street?

THE WITNESS: All right, my

said Anderson's report was just a resume?

A. Yes, my lord, it was.

Will it read in

Q. You say it was just a resume?

A. A resume, yes.

Q. Was there any new material in it?

A. Yes, there was new material.

He says:

"The premises in General appear to

"be very unclean. There are two

"doors in the apartment off the

"hallway and neither is barbed

"at the present time. The local

"police have visited the premises

"a few times and are keeping

"periodic checks on the place.

"The location of the club on

"the second floor could cause some

"delay in entering by investigating



1 "officers, that is, if the door
2 "on the ground floor at street
3 "level was kept locked. There is
4 "another apartment on the second
5 "floor which is unoccupied. The
6 "doors to the apartment could
7 "very easily be reinforced without
8 "obtaining permission from the
9 "owner.

10 " A public telephone was
11 "installed at the end of the second
12 "hallway by the club without first
13 "consulting Mrs. Webster.

14 " Found on the premises was a
15 "City of Niagara Falls Utilities
16 "Commission hydro bill addressed
17 "to R. Mosotti (photo attached).

18 " Both of the aforementioned
19 "men have criminal records. The
20 "Chiampi family are known bawdy
21 "house keepers and traffickers in
22 "narcotics. A William Chiampi
23 "was convicted by this branch in June
24 "1948 of keeping a common bawdy house
25 "and was sentenced to three months
26 "in the Ontario Reformatory. Phil
27 "Chiampi, a brother of the above-
28 "mentioned person, has a criminal
29 "record with the Niagara Falls police
30



"Officers, that is, at the door
"on the ground floor at street
"level as well as on the second
"another apartment on the second
"floor which is unoccupied. The
"very easily be reinforced without
"any special equipment. That is
"all.
"The building is located at
"the end of the second
"alley by the club without that
"any special equipment. That is
"all.
"Found on the premises was a
"City of Niagara Falls Utilities
"Commission Hydro Bill addressed
"to R. H. H. (photo attached).
"Both of the aforementioned
"men have criminal records. The
"names of the men are
"James H. H. and
"was convicted by this branch in June
"1943 of keeping a common bawdy house
"and was sentenced to three months
"in the Ontario Reformatory. This
"Ontario, a brother of the above-
"mentioned man, was a
"record with the Niagara Falls Police



"department of theft and trafficking
"in narcotics."

It adds a bit to what had appeared, my
lord.

Q. What is the next event that
happened?

MR. ESTEY: Q. Next, I think you will
find, Mr. Cudney, is 12th July, 1961, the
following month?

A. Yes, 12th July from Commissioner
Clark to myself.

(Page 12751 follows)



"In addition to what has appeared, my

It adds a bit to what has appeared, my

100.

Q. What is the next event that

101.

102.

103.

104.

105.

106.

(Page 12721 follows)



Take C

1 MR. ESTEY: Q. That dealt with the address
2 at which the club is operating, and you do not
3 need to read that unless you wish to refresh your
4 memory.

5 Now, referring to your Supplementary Letters
6 Patent---

7 THE COMMISSIONER: Just a moment. The
8 address at which it was operating? I thought
9 we had the club at 1292 Ferry Street?

10 THE WITNESS: That is where the club was---

11 Q. That is where the club, I suppose,
12 was to be?

13 A. I would just like to check this;
14 they have so many addresses. The legal -- the
15 authorized address was 1232 Ferry Street.

16 Q. Yes. Then there were a number of
17 applications, and consideration was given as to
18 whether or not they should be permitted to move
19 to 1039 Centre Street, and then 1027 Centre Street?

20 A. Yes.

21 Q. And, now we are back to July 12th,
22 1961, which you say relates to the place where
23 they were authorized to operate, 1092 Ferry Street?

24 A. No, my lord, what I was doing
25 was endeavouring to find out the -- I had dis-
26 cussed this with Mr. Yaremko, and the thought
27 was -- that is, if they had moved without our
28 permission, and I was checking that through the
29 Provincial Police.
30



at which the club is operating, and you do not

Now, referring to your Supplementary Information

---ent

THE COMMISSIONER: Just a moment. The

address at which it was operating? I thought

we had the club at 1232 Perry Street?

THE WITNESS: That is where the club was

Q. That is where the club, I suppose,

A. I would just like to check that;

they have so many addresses. The legal -- the

authorized address was 1232 Perry Street.

Q. Yes. Then there were a number of

applications, and consideration was given as to

whether or not they should be permitted to move

to 1030 Centre Street, and then 1037 Centre Street?

Q. And, now we are back to July 1961.

1961, which you say related to the place where

A. Well, my lord, what I was doing

was endeavouring to find out -- I had dis-

cussed this with Mr. Yermenko, and the thought

was -- that is, if they had moved without our

permission, and I was checking that through the



1 Q. As of July 31st, the letter---

2 A. The letter from Mr. Clark to myself.

3 Q. What is the substance of it?

4 A. It attaches the report from Sergeant
5 Anderson, and it says:

6 "It seems apparent that although
7 "a club was operated on the second
8 "floor of the premises at 1292 Ferry
9 "Street in the City of Niagara Falls,
10 "approximately five years ago, this
11 "building is now utilized as a
12 "restaurant known as the China Doll
13 "and the facilities on the second floor
14 "comprise of living quarters for the
15 "proprietor and his employees. . . "

16 And, then, there is a report.

17 Q. And the substance of that is
18 that the Club was not operating at 1292 Ferry
19 Street?

20 A. No. What I was trying to find
21 out, my lord, was were they still operating at
22 some other place, or were they still operating
23 at 1292 Ferry Street.

24 MR. ESTEY: Q. And, I take it from this
25 that there was no evidence, but there was a
26 suggestion that they were still attempting
27 to operate at 1292 Ferry Street? Isn't there a
28 suggestion of that in these reports?

29 A. No -- well, Sergeant Anderson's
30



Q. The latter from Mr. Clark to report.

Q. What is the substance of it?

A. It attaches the report from Sergeant

Anderson, and it says:

"It seems apparent that although

"a club was operated on the second

"floor of the premises at 1292 Perry

"Street in the City of Kansas City,

"approximately five years ago, this

"building is now utilized as a

"restaurant known as the China Doll

"and the facilities on the second floor

"consist of living quarters for the

"proprietor and his employees. . ."

And, then, there is a report.

Q. And the substance of that is

that the club was not operating at 1292 Perry

Street?

A. No. What I was trying to find

out, my Lord, was were they still operating at

some other place, or were they still operating

at 1292 Perry Street.

MR. KELLY: Q. And, I take it from this

that there was no evidence, but there was a

suggestion that they were still operating

somewhere at 1292 Perry Street? Is that correct?

suggestion of that in these reports?

A. -- well, Sergeant Anderson's



1 report says that the Club was attempting to
2 establish at 1025 Centre Street.

3 Q. Yes, thank you.

4 Mr. Commissioner, there is voluminous
5 reference to this in Sergeant Anderson's diary
6 in the entry for July 12th, 1961, and we have
7 essentially that same statement on October 11th.

8 THE COMMISSIONER: Just repeat the entry
9 for my edification.

10 MR. ESTEY: "Met William Bilotta
11 "from N.F., who stated father was
12 "particularly interested in moving
13 "the Niagara Frontier Italian Club
14 "to 1027 Centre Street so Italians
15 "could play short cards. Charge ten
16 "cents an hour, fifty cents a day for
17 "upkeep."

18 And then following that:

19 "Priest at St. Ann's Parish --
20 "Mayor Miller and Chief Pay
21 "intro for him".

22 And, then, the entry for October 11th, 1961, the
23 part that relates to this club -- it says:

24 "Italian Niagara Frontier Charter
25 "owned by father."

26 And, I think the reference in that to "father"
27 is to the father of the person mentioned above.

28 THE COMMISSIONER: Is that Anthony Bilotta?

29 MR. ESTEY: That is correct, my lord.
30

MR. NIXON: That is correct, my lady.

in to the father of the person mentioned above.

And, I think the reference in that to "father"

part that related to this case -- it says:

and, then, the entry for October 11th, 1961, and

"Intro for him."

"Mayor Miller and Chief Ivy

"Treat at St. Ann's Parish --

And then following that:

"upkeep."

"cents an hour, fifty cents a day for

"eight days, more or less, and then

the last entry, dated in October

the same month, relating to

"expenses incurred in making

"the trip to the State Capitol and

MR. NIXON: That is correct.

the in connection.

the following: That entry, the entry

concerns that the reference in the

in the entry for July 19th, 1961, and we have

reference to this in Sergeant Anderson's diary.

Mr. Commissioner, there is nothing

Q. Yes, thank you.

established at 1000 Centre Street.

Thank you very much for your attention to



1 He was present there with Peter Sacco and going
2 to operate a gaming house, and when application
3 for letters patent had been made Sacco broke up
4 the partnership.

5 THE COMMISSIONER: Is there something in
6 that -- Niagara Falls, Ontario or Niagara Falls,
7 New York -- something about father Bilotta?

8 MR. ESTEY: It starts: "My informant
9 "at our Niagara Falls Club..."

10 And, it goes on, but there is no mention of
11 Niagara Falls in the diary entry. The writing
12 is not easy to decipher.

13 THE COMMISSIONER: I thought you said,
14 "Niagara Falls, N.Y.".

15 MR. ESTEY: No, I didn't, sir. That is
16 Exhibit 106.

17 THE COMMISSIONER: Well, that brings us
18 down to July 12th, 1961.

19 MR. ESTEY: Q. And, then, I think you
20 exchanged letters with Commissioner Clark, Mr.
21 Cudney?

22 A. Yes.

23 Q. And, on the 19th day of July, the
24 Commissioner writes to you and includes a
25 further report from Sergeant Anderson concerning
26 reports from one Bilotta?

27 A. July 19th?

28 Q. Yes.

29 A. Yes, there is a letter from
30



He was present there with Peter Jones and going
to operate a gaming house, and when application
for letters patent had been made some time ago
the Commission.

THE COMMISSIONER: Is there something in
the record about this?

New York -- something about Father Miller?

MR. BARRY: It starts: "In testimony

"at our Niagara Falls Club..."

And, it goes on, but there is no mention of

Niagara Falls in the diary entry. The writing

is not easy to decipher.

THE COMMISSIONER: I thought you said,

"I thought you said,"

MR. BARRY: No, I didn't, sir. That is

all right.

THE COMMISSIONER: Well, that brings us

down to July 12th, 1901.

MR. BARRY: Yes, sir, I have it.

exchanged letters with Commissioner Clark, Mr.

Graham?

A. Yes.

Q. And, on the 15th day of July, the

Commissioner writes to you and includes a

letter from one Miller?

A. July 1901?

Q. Yes.

A. Yes, there is a letter from



1 Commissioner Clark to me dated July 19th
2 enclosing a report of Anderson dated July 18th
3 concerning the Club and referring to Bilotta,
4 William Bilotta.

5 THE COMMISSIONER: Q. William Bilotta?

6 A. Yes, the other one was Anthony
7 Bilotta, before, my lord, but this refers to
8 William Bilotta; he says:

9 "On Wednesday, July 12th, 1961
10 "while at the New Woodbine Race Track,
11 "I was approached by a person who
12 "identified himself as Bilotta, William,
13 "of Niagara Falls, Ontario...."

14 Q. Go on.

15 A. "It was quite evident that Bilotta
16 "knew who I was because as he approached
17 "me he said, 'Hello, Sergeant', and sat
18 "down next to me. I cannot recall having
19 "met this person before but it could be
20 "that he was one of many frequenters
21 "who visited one of the various clubs
22 "then operated in the City of Niagara
23 "Falls and area during the past few
24 "years.

25 He informed me that his father,
26 "BILOTTA, Anthony, had been trying to
27 "have a Charter, which was issued to
28 "the Italian Niagara Frontier Club
29 "and which is in his possession but
30



Continued from page 10

enclosing a report of Anderson dated July 1931.

Anderson, the first of the following in order:

1931 and 1932.

The following is a list of the names of the

A. Yes, the other one was Andrew

Adams, before, my Lord, but this refers to

William Adams; he says:

"I was born in 1880, and was, from 1895 to 1900,

"I was in the law office of Mr. Adams,

"I was employed by a firm of lawyers,

"I was employed by Adams, Adams,

"of Adams Adams, Ontario..."

O. Go on.

A. I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,

"I was born in 1880, and was, from 1895 to 1900,



1 "presently dormant, transferred to
2 "1027 Centre Street, Niagara Falls,
3 "but that there had been too much
4 "objection to it. I informed him that
5 "I had been objecting to it because
6 "originally a request had been made
7 "to have the Letters Patent transferred
8 "to 1693 Victoria Avenue to the site of
9 "the Old Ramsay Club.

10 "During the course of our con--
11 "versation Wm. Bilotta said that:-

12 "(1) If the above-mentioned
13 "Charter had been transferred to
14 "1693 Victoria Avenue the premises
15 "at which Peter Sacco is still
16 "operating the club without
17 "Letters Patent, then Peter Sacco
18 "would have had to move out and
19 "sever all connections with the
20 "premises and would in no way be
21 "connected with the Italian
22 "Niagara Frontier Club.

23 "(2) The premises would have been
24 "rented from Anthony Sacco, brother
25 "of Peter, and would have been
26 "managed by his father, ANTHONY
27 "BILOTTA.

28 "(3) The club would be operated
29 "for the benefit of the Italians
30



"I had been objecting to it because

"originally a request had been made

"to have the letters sent to the office of

"the old Ramsey Club.

"During the course of our con-

"versation the subject was brought

"up. I informed him that

"and that there had been too much

"objection to it. I informed him that

"I had been objecting to it because

"originally a request had been made

"to have the letters sent to the office of

"the old Ramsey Club.

"During the course of our con-

"versation the subject was brought

"up. I informed him that

"and that there had been too much

"objection to it. I informed him that

"I had been objecting to it because

"originally a request had been made

"to have the letters sent to the office of

"the old Ramsey Club.

"During the course of our con-

"versation the subject was brought

"up. I informed him that

"and that there had been too much

"objection to it. I informed him that

"I had been objecting to it because

"originally a request had been made



1 "in the community as a place
2 "where they could go and play
3 "'short cards' (that is) gin rummy,
4 "bridge, etc.

5 "(4) His father couldn't work
6 "and by charging ten cents an
7 "hour or fifty cents a day, as
8 "provided by the Criminal Code,
9 "he would be able to make some
10 "money to live on.

11 "(5) The Priest at St. Ann's
12 "Parish Church was in agreement
13 "with the establishing of a club,
14 "also Chief Constable Pay had
15 "told his father that he would
16 "have no objections if it was
17 "properly located, and that Mayor
18 "F.J. Miller was not objecting to
19 "it.

20 "(6) The premises at 1025 Centre
21 "Street (see memorandum dated
22 "June 12, 1961) is operated for
23 "Felix Borelli by William Cimpi
24 "and would not be associated in
25 "anyway, with his father's club.

26 "I informed BILLOTTA, Wm. that I
27 "would contact his father the next time
28 "that I was in Niagara Falls.
29
30



1 "in the community as a place
2 "where they could go and play
3 "short order" (that is) spin room.
4 "bridge, etc.
5 "(4) His father couldn't work
6 "and by changing ten cents an
7 "hour or fifty cents a day, as
8 "provided by the Criminal Code,
9 "he would be able to make some
10 "money to live on.
11 "(5) The friend at St. Ann's
12 "Parish Church was in agreement
13 "with the establishment of a club,
14 "also called Gonzales Rey had
15 "told his father that he would
16 "have no objections if it was
17 "properly located, and that Mayor
18 "W. J. Miller was not objecting to
19 "it.
20 "(6) The premises at 1025 Geneva
21 "Street (see attached map)
22 "June 12, 1961) is operated for
23 "Pelix Bonelli by William Gimp
24 "and would not be associated in
25 "anyway, with his father's club.
26 "I informed BILLOTTA, Mr. that I
27 "would contact his father the next time
28 "that I was in Niagara Falls.
29



1 "On Thursday, July 13th, in
2 "company with Provincial Constable
3 "R. J. Crowley, I was in Niagara Falls
4 "and interviewed Father Michetti of
5 "St. Ann's Parish, 1740 Buchanan Avenue.
6 "The Priest said that he was not in
7 "agreement that the club should be
8 "established. He said that as soon as
9 "the police were away from the club
10 "it would be a gaming house and after
11 "all the trouble that there had been
12 "in the City over gambling he was not
13 "in favour of it.

14 "I then spoke with Mr. BILOTTA,
15 "Anthony, at his residence, 1528 Lewis
16 "Street. Mr. BILOTTA said that he
17 "wanted to establish the club at 1027
18 "Centre Street, a vacant store, but
19 "Mayor F. J. Miller recently informed
20 "him that a large section of the area
21 "which would include 1027 Centre Street
22 "and his residence was to be sold for
23 "a shopping plaza. He was not interested
24 "in the premises at 1027 Centre Street
25 "at the present time but would like to
26 "locate somewhere else if he could
27 "find the proper place.

28 "Mr. BILOTTA said that he
29 "originally managed the club at
30



"originally managed the club at
"Mr. MITCHELL said that he
"located somewhere else if he could
"at the present time but would like to
"in the premises at 1009 Centre Street
"a shopping plaza. He was not interested
"and his residence was to be sold for
"which would include that same house
"him that a large section of the area
"some 25,000 square feet
"Centre Street, a vacant store, but
"wanted to establish the club at 1009
"Street. Mr. MITCHELL said that he
"Anthony, at his residence, 1222 Lewis
"I then spoke with Mr. MITCHELL,
"in favor of it.
"in the City over gambling he was not
"all the trouble that there had been
"it would be a gaming house and after
"the police were away from the club
"established. He said that as soon as
"The Priest said that he was not in
"and interviewed Father Mitchell of
"R. J. Crowley, I was in William Halla



1 "1760 Buchanan Avenue when it was
2 "first formed in 1949 and later at
3 "1292 Ferry Street, but was forced to
4 "move when his lease terminated, and
5 "the China Doll restaurant opened.
6

7 "Mr. BILOTTA stated that he is
8 "approximately 56 years of age and
9 "because of an injured back is unable
10 "to work. The club would be managed
11 "by himself and operated for Italians
12 "only as a place where they could meet
13 "and play 'short cards', also it would
14 "be a place for them to get together
15 "at election time. The club would
16 "always be open and not barricaded
17 "and that he would charge only 10 cents
18 "an hour or 50 cents a day as provided
19 "by the Criminal Code. The ~~club~~ club will
20 "have approximately 150 members who will
21 "pay \$2.00 per year membership fee.

22 "To my inquiries Mr. BILOTTA
23 "said that he had not been approached
24 "by any of the local gamblers for the
25 "use of his Charter.

26 "Mr. Bilotta had the Charter at
27 "his residence, which was issued in
28 "1949. The original applicants are
29 "listed as:-
30



1997-2001: 100% (100% in 1997, 100% in 2001)

de total bus elici al demno? daria?"

of 1900 and 1901, and 1902 and 1903.

move when his lease terminated and

at on said basis APPROX. 100"

“...to the very heart of the matter”

of view of head bent at as to appear"

housen of the world of the world of the world

qualitatively not dangerous but it should be

from blue red cracks only a "value"

NAME OF HIS CHARACTER

His residence, which was located in

[illegible]



1 "Antonio Bilotta

2 "Frank Sherbo

3 "Myer Carminara

4 "Franklin J. Miller

5 "Dominico Bilotta - all of Niagara

6 "Falls, and

7 "Ralph Nero of Welland.

8 "The Charter states:- The Corporation

9 "is prohibited from occupying and using
10 "to

11 "a house, room or place as a club, which

12 "subclause (11) of Clause (b) of Section

13 "226 of The Criminal Code is by that

14 "subclause made not applicable.

15 "Mr. Bilotta is desirous of

16 "making a living from operating a club

17 "by charging 10 cents an hour or 50 cents

18 "a day. This is the very thing that is

19 "prohibited by the Letters Patent.

20 "Respectfully submitted,

21 "(J. M. Anderson) Sergeant".

22 MR. ESTEY: Q. That list of names, the
23 original applications, I take it -- F. J. Miller,
24 I take it, was the Mayor at that time?

25 A. Yes, in the -- while the
26 application there is one of the applications of
27 Franklin Joseph Miller, Insurance Broker, I am
28 not able to say whether or not---

29 Q. You cannot tell whether it is the
30 same Frank Miller who is reported in earlier



1914

"The Charter states:- The Corporation

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1 correspondence as being the Mayor.

2 Then, in order to expedite the matter,
3 I think you received a report on the 9th of
4 August from Commissioner Clark in connection
5 with the location of the club?

6 A. Yes.

7 Q. And he reports that Anthony
8 Bilotta, 1528 Lewis Street, informed him that
9 the club was not operating?

10 A. Yes. I had been writing to Mr.
11 Clark to find out if the club was operating --
12 to find out if they had been operating at some
13 other place or premises.

14 Q. This is in reply to one of your
15 inquiries?

16 A. Yes.

17 Q. Does it report anything further
18 from Mr. Bilotta?

19 A. It said:

20 "On Thursday, July 13th, 1961
21 "when I interviewed Mr. Anthony BILOTTA
22 "at his residence 1528 Lewis Street,
23 "Niagara Falls, he informed me that
24 "the club is not in operation at the
25 "present time, having no premises to
26 "locate in.

27 "He was desirous of having the
28 "marginally noted Charter, which is in
29 "his possession at his residence,
30



correspondence as being the matter.

Then, in order to expedite the matter,

I think you received a report on the 20th of

August from Commissioner Glavin in connection

with the investigation of the club.

A. Yes.

Q. And the report was that

the club was not operating?

A. Yes. I had been writing to Mr.

Glavin to find out if the club was operating --

to find out if they had been operating at some

other place or premises.

Q. This is in reply to one of your

statements

A. Yes.

Q. Does it report anything further

A. It said:

"The club is not in operation at the

present time, having no premises to

locate in.

"He was desirous of having the

"marginally noted Charter, which is in

"the possession of his residence,

"at his residence 1525 Lewis Street,

"Kalamazoo, Michigan, he informed me that

"the club is not in operation at the

"present time, having no premises to

"locate in.

"He was desirous of having the

"marginally noted Charter, which is in

"the possession of his residence,



1 "moved to 1027 Centre Street, but
2 "because of plans to demolish buildings
3 "in that immediate area he was now
4 "without a location and did not know
5 "of any new place to which he could
6 "transfer the Charter..."

7 Q. And, that material in a period of
8 time was forwarded to your Minister on August 24th,
9 I believe?

10 A. Yes, there was a memorandum to
11 The Minister before that, but there was a
12 memorandum to the Minister on August 24th, 1961.

13 ~~1961~~ Q. Were there any instructions
14 issued as a result of that memorandum?

15 A. In the memorandum I said:

16 "...The facts pertaining to
17 "the Club are set out in my memorandum
18 "of June 26th, 1961, a copy of which
19 "is attached. Following this memorandum
20 "I wrote to Commissioner Clark of
21 "the Provincial Police pursuant to
22 "your request inquiring as to whether
23 "the Club was now operating and if so
24 "the premises at which it was operating.

25 "I have had some correspondence
26 "with Commissioner Clark in this regard
27 "but am now in receipt of a letter
28 "from Commissioner Clark enclosing a
29 "report of Sergeant J. M. Anderson
30



...to the fact that...

"because of plans to demolish buildings"

"in the immediate future"

"...to the fact that..."

"of any new place to which he could"

"...to the fact that..."

"...and, that material in a period of"

"...to the fact that..."

"...to the fact that..."

"...to the fact that..."

"The Minister before that, but there was a"

"Memorandum to the Minister on August 2nd, 1901."

"...to the fact that..."

"issued as a result of that memorandum"

"A. In the memorandum I said:

"...The facts pertaining to"

"the Club are set out in my memorandum"

"...to the fact that..."

"...to the fact that..."

"I wrote to Commissioner Clark of"

"the Provincial Police pursuant to"

"...to the fact that..."

"the Club was now operating and it is"

"the premises at which it was operating."

"I have had some correspondence"

"with Commissioner Clark in this regard"

"but am now in receipt of a letter"

"from Commissioner Clark enclosing a"

"report of Sergeant J. M. Anderson"



1 "advising that the Club is not operating
2 "at present.

3 "I am attaching the file hereto."

4 Q. And then I believe there is a
5 memorandum to you from Mr. Lavine dated 3rd
6 November, 1961 -- the 3rd November, 1961?

7 A. Yes, there is.

8 Q. Would you read that memorandum,
9 please, Mr. Gudney?

10 A. "I have examined..." -- This is
11 from Mr. Lavine to myself dated November 3rd,
12 1961:

13 " I have examined the file again
14 "and it seems to me that little purpose
15 "would be served in getting a special
16 "return from the Corporation as,
17 "undoubtedly, it has more than two
18 "members.

19 "It is limited by its supplementary
20 "letters patent to a particular street
21 "address.

22 "Apparently this building can
23 "no longer be occupied by the club,
24 "and the department has refused to
25 "consent to any new location.

26 "Accordingly, the club cannot in fact
27 "operate.

28 "It would seem to me, therefore,
29 "that the matter should be left in
30



...the first time in the history...

"at present."

"I am attaching the file hereto."

Q. And then I believe there is a

memorandum to you from Mr. Levine dated the

November, 1961 -- the 2nd November, 1961?

A. Yes, there is.

Q. Would you read that memorandum,

please, Mr. Ordway?

A. "I have examined..." -- This is

from Mr. Levine to myself dated November 2nd,

1961:

"I have examined the file and

and it appears that the file is

"would be served in getting a special

"return from the Corporation as,

"undoubtedly, it has more than two

pages.

"It is located in the basement

"letters patent to a particular street

address.

"Accordingly, the club cannot in fact

"no longer be occupied by the club,

"and the department has refused to

"consent to any new location.

"Accordingly, the club cannot in fact

"operate."

"It would seem to me, therefore,

"that the matter should be left in



1 "abeyance except to request the
2 "O.P.P. for a report if the club should
3 "commence to operate in a new location.
4 "At such time the Charter of the club
5 "could be cancelled for operating in
6 "violation of its Charter."

7 Q. What did you do as a result of
8 that memorandum, Mr. Cudney?

9 A. Well, I wanted -- we wanted to get
10 the books of the company to see if there were
11 possible forfeiture grounds, so on November 9th,
12 1961, I wrote to the Club at the address
13 1528 Lewis Avenue, Niagara Falls.

14 Q. That would be the home of the---

15 A. I guess so -- it would reach the
16 secretary of the club.

17 Italian

"Re: ^Niagara Frontier Club.

18 "Under provisions of Section 4
19 "of The Corporations Information Act,
20 "it is hereby required that your
21 "co-operation on or before November
22 "20th, 1961, make a return to this
23 "office containing all books of your
24 "corporation since incorporation to
25 "date, including minute books,
26 "membership registrations and books
27 "and records of accounts."

28 I had, as I recall, discussed the matter
29
30



...and the ...

"C.P.P. for a report if the club should

"commence to operate in a new location.

"At such time the Charter of the club

"could be cancelled for operating in

...

9. What did you do as a result of

that memorandum, Mr. Cudney?

A. Well, I wanted -- we wanted to get

the books of the company to see if there were

...

1961, I wrote to the Club at the address

...

6. That would be the name of the

...

Secretary of the club.

Italian

"Re: Niagara Frontier Club.

...

"of The Corporation Information Act,

"it is hereby required that you

"co-operation on or before November

"20th, 1961, make a return to this

"office containing all books of your

"corporation since incorporation to

"date, including minute books,

"membership registrations and books

"and records of accounts."

I had, as I recall, discussed the matter



1 with the Minister.

2 THE COMMISSIONER: Q. Lewis Avenue is
3 the home address of whom?

4 A. That was---

5 MR. ESTEY: I think it was Bilotta's
6 home address.

7 THE COMMISSIONER: That is Bilotta, Senior?

8 THE WITNESS: It is the address in the
9 annual return, my lord, of March 31st, 1961;
10 1528 Lewis Avenue is the address of Frank P.
11 Bilotta -- Oh, he was the Secretary, I'm sorry --
12 He was the Secretary. He filed in the return
13 as the Secretary saying the return was sent to
14 his address.

15 MR. ESTEY: Q. What is that number, please,
16 on Lewis Avenue?

17 A. 1528 Lewis Avenue, Niagara Falls,
18 Ontario.

19 MR. WILSON: That is the head office.

20 THE WITNESS: That is the head office.

21 Anthony
22 MR. ESTEY: Q. And, that is also Bilotta's
23 address at the time of the application for
24 letters patent; do you notice that?

25 A. What was that?

26 Anthony
27 Q. That is also Bilotta's address at the
time of the application for the Charter.

28 THE COMMISSIONER: Is that the request
29 asking for the books, etcetera, on November 9th,
30 1961 -- and what happened?



THE COMMISSIONER: That is right, yes.

THE WITNESS: It is the address in the annual return, my Lord, of Heron Street, 1891.

THE COMMISSIONER: That is right, yes.

THE WITNESS: -- Oh, he was the Secretary, I'm sorry -- He was the Secretary. He failed in the return as the Secretary saying the return was sent to the wrong address.

MR. MATTHEW: What is that number, please, on Beale Avenue?

A. I don't know, I don't know.

MR. MATTHEW: That is the head office.

THE WITNESS: That is the head office.

MR. MATTHEW: And, that is also the address at the time of the application for letters patent; do you notice that?

A. What was that?

Q. That is also the address at the time of the application for the charter.

THE COMMISSIONER: Is that the return calling for the books, etcetera, on November 22, 1891 -- and what happened?



1 MR. ESTEY: Q. I think you wrote a
2 memorandum in reply on the 17th of January,
3 1962, did you?

4 A. Yes. The books were not submitted,
5 and we then proceeded to -- I wrote to the
6 Minister pointing out that the books == that the
7 request was not complied with:-

8 "The matter has to-day been
9 "brought to my attention and I would
10 "ask your direction for the cancellation
11 "of the Charter in view of the failure
12 "to comply with our special return to
13 "produce the books."

14 And then I wrote to Mr. Lavine later to
15 prepare a cancellation, and then there was a
16 letter to Messrs. Raymond, Spencer, Law and
17 McInnes of Welland, dated February 7th, 1962.

18 THE COMMISSIONER: Q. What was the date of
19 the memo to Mr. Yarenko, then, asking for
20 direction?

21 A. December 18th, 1961. And, my
22 memo to Mr. Lavine in which I say I had discussed
23 the matter with the Minister was 1st February,
24 1962 == the cancellation letter.

25 Q. Now, you say in the meantime
26 the books were produced?

27 A. In the meantime the books were
28 produced.
29
30



MR. HARRIS: G. I think you wrote a

memorandum in reply on the 15th of January,

1928, did you?

A. Yes. The books were not submitted,

and so the Government was not aware of them.

Minister pointing out that the books -- that the

request was not complied with --

"The matter has to-day been

"brought to my attention and I would

"ask your direction for the cancellation

"of the Chapter in view of the fact that

"to comply with our special request to

cancel the book."

And then I wrote to Mr. Levine later to

prepare a cancellation, and then there was a

letter to Messrs. Heywood, Spencer, Ian and

Mr. Gurney, dated February 10, 1928.

THE COMMISSIONER: G. What was the date of

the memo to Mr. Yarnish, then, asking for

direction?

A. February 10, 1928.

memo to Mr. Levine in which I say I had discussed

the matter with the Minister was last February,

1928 -- the cancellation letter.

G. Now, you say in the meantime

the books were submitted?

A. In the meantime the books were

submitted.



1 Q. When?

2 A. Well, there is a letter here,
3 my lord, dated January 5th, 1962. As a matter
4 of fact, the solicitors, as I remember,
5 telephoned saying that the books would be
6 produced, and then there is a letter of
7 January 5th -- I am sorry, my lord, of December
8 29th. The cancellation letter was sent to
9 the club for failure to comply on the afore-
10 mentioned grounds. That was on November 27th.
11 After that the Charter would be cancelled
12 January 29th, 1962. And, then, there was the
13 letter saying that the books were being produced
14 on January 29th.

15 MR. ESTEY: Q. Does it say they would
16 be produced or they were lost?

17 A. I have the letter of December 29th,
18 1961, concerning the production of certain books...
19 (Letter read)...

20 Apparently they did not -- Yes, as I
21 remember, they did not have quite all the books.
22 They sent in the letter saying they were sending
23 in part of the books.

24 THE COMMISSIONER: Well, that is good
25 enough for the purpose.

26 MR. ESTEY: Q. And the by-laws and the
27 statutory documents they were required to keep?

28 A. Yes, I think we have them.

29 Q. Yes, that is kept in amongst the
30



Q. When?

A. Well, there is a letter here,

my lord, dated January 25th, 1902. As a matter

of fact, the solicitors, as I remember,

produced, and then there is a letter of

January 25th -- I am sorry, my lord, of December

25th. The cancellation letter was sent to

the club for failure to comply on the afore-

mentioned grounds. That was on November 25th.

After that the Charter would be cancelled

January 25th, 1902. And, then, there was the

letter saying that the books were being produced

on January 25th.

Q. Now, my lord, I want to ask you --

the letter of January 25th, 1902, is it correct

that I have the letter of December 25th,

1901, concerning the production of certain books...

(Latter part)...

Apparently they did not -- Yes, as I

remember, they did not have quite all the books.

They sent in the letter saying they were sending

in part of the books.

Q. Now, my lord, I want to ask you --

enough for the purpose.

MR. JUSTICE: O. And the by-laws and the

statutory documents they were required to keep?

A. Yes, I think we have them.

Q. Yes, that is kept in amongst the



1 the documents, the by-laws and minute book
2 and record of the members?

3 A. Yes.

4 Q. The effect of that is -- I take
5 it that is the end of your file?

6 A. I referred the books to Mr. Lavine
7 for examination, and---

8 Q. What date was that?

9 A. Well, it was when the -- sometime
10 after they had come in; I don't know exactly
11 when. I don't think it was too long.

12 Q. I see.

13 A. Then I had the memo from Mr.
14 Lavine of July 19th, 1962:

15 "The relevant facts with respect
16 "to the above corporation up until
17 "January 17th, 1962, are contained in
18 "a memorandum to you by Miss O'Rourke
19 "of that date attached hereto.

20 "Some time toward the end of
21 "January, a second book purporting to
22 "be a Register of Members was apparently
23 "delivered to your office..."

24 THE COMMISSIONER: Do we have to read
25 all that?

26 MR. ESTEY: Q. What is going on in your
27 file now, Mr. Gudney?

28 A. Well, following that I wrote the
29 memorandum---
30



the number, the date and the name of the person

A. Yes.

Q. The effect of that is -- I take

it that the one of your files

A. I referred the same to Mr. Tamm

the commission, and --

A. That date was about

A. Well, it was then the --

after they had come in; I don't know exactly

when. I don't think it was too long.

A. I see.

A. Then I had the memo from Mr.

Tamm of July 20, 1935.

The relevant from which is

"to the above corporation up until

January 1, 1935, and continued in

"a memorandum to you by Miss O'Rourke

"of that date attached hereto.

"Some time toward the end of

"January, a second book purporting to

"be a Register of Members was apparently

"delivered to your office..."

THE COMMISSIONER: Do we have to read

all that?

MR. TERRY: Q. What is going on in your

file now, Mr. Gurney?

A. Well, following that I wrote the

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1 THE COMMISSIONER: Q. Well, the books
2 came in, and I suppose the matter was being
3 studied by the people in the Department, and
4 what is the present status of it?

5 A. I wrote to the Minister on July
6 30th, 1962.

7 Q. Yes?

8 MR. ESTEY: Q. Did you make a recommenda-
9 tion in that memorandum to the Minister?

10 A. No -- Well, I will just read it:

11 "I refer to previous correspondence
12 "relative to the above club which was
13 "incorporated by Letters Patent
14 "December 6th, 1949. The Club was
15 "granted Supplementary Letters Patent
16 "on March 26th, 1953 permitting it to
17 "change the location of its premises..."--

18 THE COMMISSIONER: Q. We have got that
19 history repeated time after time after time.

20 MR. ESTEY: What was the purpose of your
21 memo?

22 A. "I required the club to file
23 "a special return, producing its books.
24 "The books were not submitted and we
25 "advised that the Charter would be
26 "cancelled, following which the books
27 "were submitted. Mr. Lavine has gone
28 "over the books and I am attaching
29 "his memorandum dated July 19th together
30



THE COMMISSIONER: Q. Well, the books

came in, and I suppose the matter was being

attended by the people in the Department, and

what is the present status of it?

A. I think it is still in the

Department.

MR. TERRY: Q. Did you make a recommenda-

tion in that memorandum to the Assistant

A. No -- Well, I will just read it:

"relative to the above clip which was

"incorporated by Letters Patent

"December 6th, 1949. The clip was

"inserted in the file of the

"Department, and the following is a

"change the location of the papers."

THE COMMISSIONER: Q. We have got that

memorandum, but I don't know what

MR. TERRY: What was the purpose of your

memory

A. "I required the clip to file

"a special return, producing the books.

"The books were not submitted and we

"advised that the Chapter would be

"cancelled, following which the books

"were submitted. Mr. Irvine has gone

"over the books and I am attaching

"his memorandum dated July 19th together



1 "with the file for your consideration."

2 Q. Then what happened?

3 A. Well, that is the end.

4 Q. That is the end of the road now?

5 A. Yes.

6 Q. There is no reply back from the
7 Minister on the file?

8 A. No.

9 Q. So that there is no action now
10 being mentioned to cancel the club's charter?

11 A. That is the way it stands at the
12 present time.

13 Q. So, in summary, the Letters Patent
14 and Supplementary or Temporary Letters Patent
15 authorizing the club -- They are unable to
16 establish premises?

17 A. They are unable to establish premises,
18 and according to my advice they are not operating
19 at all.

20
21 MR. WILSON: I am advised there is a
22 memorandum attached to that memorandum to the
23 Minister. It might be helpful to get it in
24 if there is one.

25 THE WITNESS: From my examination of
26 July 19th, 1962:

27 "The relevant facts with respect
28 "to the above corporation up until
29 "January 17, 1962, are contained in
30 "a memorandum to you by Miss O'Rourke



"with the file for your consideration."

Q. Then what happened?

A. Well, that is the end.

Q. That is the end of the road now?

A. Yes.

Q. There is no reply back from the

Minister on the file?

A. No.

Q. So that there is no action now

being mentioned to cancel the club's charter?

A. That is the way it stands at the

present time.

Q. So, in summary, the Letters Patent

and supplementary to Letters Patent

authorizing the club -- they are unable to

obtain a charter?

A. Yes, and that is the situation.

and according to my advice they are not operating

at all.

MR. WILSON: I am advised there is a

memorandum attached to that memorandum to the

Minister. It might be helpful to get it in

if there is one.

MR. WILSON: From my examination of

the file, I am

"The relevant facts with respect

to the above-mentioned matter

"January 17, 1962, are contained in

"a memorandum to your Honors dated 6/10/62"



1 "of that date attached hereto.

2 "Some time toward the end of
3 "January, a second book purporting to
4 "be a Register of Members was apparently
5 "delivered to your office..."---

6 Q. Mr. Gudney, I do not want to
7 interrupt your reading, but the first few
8 paragraphs so far as you have gone are what you
9 have been reading several times, aren't they?

10 A. Yes.

11 THE COMMISSIONER: Q. Get down to the
12 last paragraph.

13 A. "FROM...From my examination of
14 "the records, there does not appear to
15 "be any basis on which the Department
16 "could cancel the Letters Patent since
17 "there does not seem to have been any
18 "forfeiture of the corporate powers
19 "before 1954, and that the corporation
20 "has not operated from any other
21 "premises other than that set out in
22 "Supplementary Letters Patent dated
23 "March 26, 1953."

24 MR. ESTEY: Q. Now, Mr. Gudney, before
25 we close that file I take it from what you
26 have said, and from what you have said from
27 your file notes, that your departmental
28 policy is satisfied as regards this club,
29 because while there was an adverse report on
30

"of that date attached hereto.

"Some time toward the end of

"January, a second book purporting to

"be a Register of Members was apparently

"obtained by your office...."

"Mr. Guiney, I am not sure

interrupts your reading, but the first few

paragraphs so far as you have gone and what you

have found in the first part, which is

"A. J. Guiney,

THE COMMISSIONER: Q. Get down to the

last paragraph.

A. "First... from my examination of

"the records, there does not appear to

"be any basis on which the Department

"could make any adverse finding.

"There does not seem to have been any

"forfeiture of the corporate powers

"before 1954, and that the corporation

"has not operated from any other

"premises other than that set out in

"your report dated January 1954.

"Very truly yours,

"A. J. Guiney, Commissioner

we close that file I take it from what you

have said, and from what you have said from

your file notes, that your departmental

policy is established as regards this class,

because while there was an adverse report on



1 July 20th, 1960, from the Provincial Police,
2 the operations of it have since ceased?

3 A. The operations have since ceased,
4 yes.

5 Q. And the departmental action from
6 that time forward has been confined -- I don't
7 say improperly -- but it has been confined to finding
8 whether or not the club is operating and if so
9 whether it is contravening its Charter?

10 A. Confined to finding out whether
11 the club was contravening its Charter by operating
12 where it was not authorized.

13 Q. Or whether the club was operating
14 under the Statutory incorporations?

15 A. Yes, or corporate powers.

16 Q. And, those three factors have been
17 satisfied, and that is the end of the road so
18 far as the Department is concerned?

19 A. Yes, and apparently they are not
20 operating, and the only place they can operate
21 is at ^a ~~the~~ place where they cannot occupy, and
22 according to the books, it seems there has not
23 been any forfeiture of powers.

24 Q. Yes, we have been over that
25 report, Mr. Cudney.

26 Now, will you place before The Commissioner
27 the Spadina Social and Card Club, please?

28 THE COMMISSIONER: Where do I find that?
29
30



the operations of it have since ceased?

A. The operations have since ceased.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.

Q. And the operations have since ceased?

A. Yes.



1 MR. WILSON: Page 78 in the brief, in
2 Appendix J. It will be page -- I think it is
3 page 8 -- 8, 18 and 20 in "J". It is also in
4 "K". It is number 8 in "K".

5 MR. ESTEY: Q. Now, Mr. Cudney, to set
6 the stage, perhaps we can summarize and,
7 correct me if I am wrong: This is an
8 incorporation of 1949, wasn't it, because it
9 was before some of your present practices were
10 inaugurated?

11 A. Yes.

12 Q. It is limited in its operations
13 to 163½ Spadina Avenue, Toronto?

14 A. 163½ Spadina Avenue, Toronto, and---

15 Q. And it had general social club
16 objects?

17 A. Yes, to establish, maintain and
18 conduct a club, yes.

19 Q. Now, does it have the ten cent
20 an hour clause as you call it, or the bars and
21 bolts clause?

22 A. It has the bars and bolts clause,
23 but it does not have the ten cent an hour clause;
24 at that time -- this is prior to our present
25 policy.

26 Q. I appreciate that. What I just
27 want to know is the fact, just so we can get
28 into this. The first thing I wish to direct
29 your attention to in your files, Mr. Cudney,
30



MR. WILSON: Page 78 in the brief, in
 Appendix 3. It will be page -- I think it is
 page 8 -- 8, 18 and 20 in "7". It is also in
 "K". It is number 8 in "K".

MR. BARRY: Now, Mr. Gurney, to see
 the case, I am going to ask you to
 correct me if I am wrong: This is an
 investigation of the, really is, was it
 was before some of your present practices were
 introduced?

A. Yes.

Q. It is limited in its operations
 to 1000 people, is it?

A. 1634 Babbins Avenue, Toronto, and
 Q. And it had general social club
 objects?

A. Yes, to establish, maintain and
 conduct a club, yes.

Q. Now, does it have the ten-cent
 an hour class as you call it, on the bars and
 billiard?

A. It has the bars and billiard class,
 but it does not have the ten-cent an hour class;
 at that time -- this is prior to our present
 time.

Q. I appreciate that. What I just
 want to know in the fact, just so we can get
 into this. The first thing I wish to direct
 your attention to in your files, Mr. Gurney,

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1 appears at January 25th, 1955, and it is in
2 the "C" file, 406-7, the 25th of January, 1955.
3 Do you see that? On that date I think you
4 received a return for 1951 and subsequent years?

5 A. April 22nd, 1955, Mr. Estey, yes.
6 There is a letter---

7 THE COMMISSIONER: Q. What?

8 A. April 22nd, my lord, 1955.

9 Q. Mr. Estey suggested it was
10 January 25th, 1955.

11 MR. ESTEY: Perhaps I have the wrong
12 date in this.

13 THE WITNESS: Perhaps it is a reply to
14 the letter. The first date in the file in 1955
15 is April 22nd, in the "C" file.

16 MR. ESTEY: I don't suppose it matters.
17 I have a date here of January 25th. You have a
18 return in the "C" file? Is that the return?

19 the year 1951
20 A. The return for ~~January 25th~~ was
21 filed January 25th, 1955.

22 Q. Filed January 25th, 1955?

23 THE COMMISSIONER: You were right in the
24 first place, then.

25 Q. On January 25th, 1955 you received
26 the return for the year 1951, is that what you
27 are saying?

28 A. Yes, my lord, yes.

29 MR. ESTEY: Q. I take it you then
30 received returns for the intervening years?



1955

U.S. DEPARTMENT OF JUSTICE

On January 28, 1955, you received

the "C" file, 400-7, the return of January, 1955.

Do you see that? On that date I think you

received a return for 1951 and subsequent years.

A. Yes, I think so, but I don't know.

There is a letter--

THE COMMISSIONER: Yes.

A. I think so, but I don't know.

Q. Mr. McCoy suggested it was

the same letter.

MR. EATON: Perhaps I have the wrong

date in this.

THE WITNESS: Perhaps it is a reply to

the letter. The first date in the file in 1955

is April 22nd, in the "C" file.

MR. EATON: I don't suppose it matters.

I have a date here of January 28th. You have a

return in the "C" file? Is that the return?

the year 1951

A. The return for January 1951 was

the same letter.

THE COMMISSIONER: Yes.

THE COMMISSIONER: You were right in the

first place.

Q. On January 28th, 1955 you received

the return for the year 1951, is that what you

received?

A. Yes, I think so.

MR. EATON: Q. I take it you then

received the same letter for the year 1951.



1 THE COMMISSIONER: Just a moment, I do
2 not think that is so.

3 MR. ESTEY: Q. The intervening returns
4 were received in '55?

5 A. On July 11, 1950----

6 THE COMMISSIONER: Oh, dear, oh dear.

7 MR. ESTEY: Q. We are interested in 1951.
8 You have established the date on which you
9 received that one.

10 When did you receive the 1952, the next
11 one?

12 A. May 15th, 1952.

13 Q. Right. And the '53 return, did
14 you receive it July 24th, 1953?

15 A. Yes.

16 Q. All right. Now---

17 THE COMMISSIONER: Q. What date?

18 A. July 24th, 1953.

19 MR. ESTEY: Q. I see. All right. And
20 then in 1954 you received that return in 1954?

21 A. Yes, June 17th, 1954.

22 Q. It seems, then, that 1951 was
23 received out of chronological order for some
24 reason; is that right?

25 A. Yes, that was received in 1955.

26 Q. And is there information in the
27 1951 return to the effect that active operations
28 were temporarily suspended?

29 A. In the 1951 return it says that
30



THE COMMISSIONER: There is nothing, is there?

MR. BARRY: Q. The intervening returns

THE COMMISSIONER: Oh, dear, oh dear.

MR. BARRY: Q. We are interested in 1933.

You have established the date on which you

When did you receive the 1932, the next

May 1934, 1935.

Q. Right. And the 1932 return, did

you receive it July 24th, 1933?

July 24th, 1933.

MR. BARRY: Q. I see. All right. And

then in 1934 you received that return in 1934?

Yes, that's right.

received out of chronological order for some

reasons that right?

Q. And is there information in the

1931 return to the effect that active operations

A. In the 1931 return it says that



1 active operations were temporarily suspended.

2 Q. And that, you received in 1955.
3 Did you make any inquiry as to whether or not
4 there had been a forfeiture of powers at that
5 time?

6 THE COMMISSIONER: The mere act of
7 suspension does not result in forfeiture of
8 its charter, does it?

9 MR. ESTEY: Well, under Rule 621 of
10 the Corporations Act it does, my lord.

11 THE WITNESS: They would keep the power
12 alive by making a return once a year and by holding
13 a meeting once a year.

14 THE COMMISSIONER: Yes, by active
15 operation. I mean something more than a formal
16 meeting once a year.

17 MR. ESTEY: Q. Couples with the statement
18 to the effect that they filed a return once a
19 year, I am interested in knowing what the
20 Department did about it?

21 THE COMMISSIONER: Q. What did the
22 Department do about it?

23 A. It says, "Having suspended
24 operations". My answer is having done
25 nothing from 1951 to 1955, the Department did
26 nothing about forfeiture.

27 Q. In view of the fact they had
28 filed their returns?

29 A. Yes, they had.
30



active operations were temporarily suspended.
Q. And that, you received in 1955.

A. Did you make any inquiry as to whether or not
there had been a forfeiture of powers at that
time?

THE COMMISSIONER: The mere act of

suspension does not result in forfeiture of
its charter, does it?

A. Yes, it does.

the Corporation Act it does, my Lord.

THE WITNESS: They would keep the power

alive by making a return once a year and by holding
a meeting once a year.

THE COMMISSIONER: Yes, by active

management. I am assuming that you have a return
meeting once a year.

A. Yes, I do.

to the effect that they filed a return once a

year, I am interested in knowing what the

Department did about it?

THE COMMISSIONER: A. What did the

Department do about it?

A. It was, I think, a

question of whether it was

nothing from 1951 to 1955, the Department did

nothing about forfeiture.

A. In view of the fact they had

filed their returns?

A. Yes, they had.



1 THE COMMISSIONER: I don't know what
2 you are aiming at, Mr. Estey.

3 MR. ESTEY: It gets into the grounds
4 of the basis that the new department used in
5 this connection, and I want to take it
6 chronologically and find out what the department
7 did.

8 THE WITNESS: There was nothing entered
9 in the file. There was nothing done, Mr. Estey.

10 Q. And I take it it was your view
11 that nothing should have been done?

12 A. No, nothing should have been done.

13 Q. In order to appreciate this
14 we are not interested in the housekeeping for
15 this certain company; in 1957 this company
16 applied for supplementary letters patent to
17 change their head office to 560 King Street;
18 do you see that?

19 A. In 1957, yes. The application
20 received April -- August 22nd, 1957, to change
21 the operation to 560 King Street West, Toronto.

22 Q. You agree with that?

23 A. Yes.

24 Q. Well, now, as a result of that
25 application you find a letter of 2nd December,
26 1957 -- 2 December, 1957 -- from you to the
27 solicitor who filed that application?

28 THE COMMISSIONER: What is the date?

29 MR. ESTEY: 2nd December, 1957.
30



THE COMMISSIONER: I don't know what

MR. GAHAN: It gets into the grounds

of the basis that the new department used in

this connection, and I want to take it

chronologically and find out what the department

THE COMMISSIONER: There was nothing done, Mr. Gahan.

in the file. There was nothing done, Mr. Gahan.

Q. And I take it it was your view

that nothing should have been done?

A. No, nothing should have been done.

Q. In order to appreciate this

we are not interested in the housekeeping for

this certain company; in 1957 this company

applied for supplementary letters patent to

change their head office to 500 King Street

do you see that?

A. Yes, that is correct.

received April -- August 2nd, 1957, to change

the operation to 500 King Street West, Toronto.

Q. You agree with that?

A. Yes.

Q. Well, now, as a result of that

application you find a letter of 2nd December,

1957 -- 2 December, 1957 -- from you to the

solicitor who filed that application?

THE COMMISSIONER: What is the date?

MR. GAHAN: 2nd December, 1957.



1 THE WITNESS: Yes, I have it here.

2 THE COMMISSIONER: It is a letter from
3 whom?

4 MR. ESTEY: A letter from Mr. Gudney
5 to the solicitor filing the application.

6 THE COMMISSIONER: Yes.

7 MR. ESTEY: Q. Now, Mr. Gudney, looking
8 this over very quickly you will see that it has
9 this sentence in it which is all I am interested
10 in:

11 "In view of the reports we received

12 "I am unable to grant such application".

13 Isn't that correct?

14 A. Yes, that is correct.

15 Q. You refused the application for
16 the move?

17 A. Yes.

18 Q. In that same club the next evidence
19 you have on file is a letter of 31st December,
20 1957. Do you see that?

21 A. Yes, I have that.

22 THE COMMISSIONER: What date?

23 MR. ESTEY: 31st December, 1957.

24 THE COMMISSIONER: A letter from whom?

25 MR. ESTEY: The letter is from D. McNeill.

26 THE WITNESS: Yes, he is a solicitor in
27 the department.

28 THE COMMISSIONER: Q. Would you tell us
29 what that letter says?
30



Q. Now, I have in mind,

THE COMMISSIONER: It is a letter from

Mr. Gurney

MR. GURNAY: A letter from Mr. Gurney

as the witness filling the application.

THE COMMISSIONER: Yes.

MR. GURNAY: Yes, Mr. Gurney, I have

this over very quickly you will see that in no

this sentence in it which is all I am interested

in.

"In view of the reports we received

"I am unable to grant such application".

Isn't that correct?

A. Yes, that is correct.

Q. And that was the application for

the same?

A. Yes.

Q. In that same clip the next evidence

you have on file is a letter of that December,

1957. Do you see that?

A. Yes, I have that.

THE COMMISSIONER: What date?

MR. GURNAY: Also December, 1957.

THE COMMISSIONER: A letter from whom?

MR. GURNAY: The letter is from D. McNeill.

THE WITNESS: Yes, he is a selector in

the company.

THE COMMISSIONER: O. Would you tell us

what that letter says?



1 A. "Dear Sir:

2 "Re Spadina Social and Card Club

3 "I am writing in reference to
4 "the above application for Supplementary
5 "Letters Patent.

6 "This is to advise that the
7 "matter of Supplementary Letters Patent
8 "for the above corporation has been
9 "carefully considered and it has been
10 "decided to grant Supplementary Letters
11 "Patent permitting the corporation to
12 "change its club premises to 560 King
13 "Syreet West, in the City of Toronto,
14 "and not elsewhere."

15
16 And, annexed to it is a letter of December 19th,
17 1957, stating, "Subject to further instruction
18 by this Department before it will be issued."

19 THE COMMISSIONER: Q. Although on
20 December 22nd, 1957 you had written the solicitor
21 or perhaps I should say the solicitors who had
22 filed the application that the application was
23 refused?

24 A. The application was refused, yes,
25 my lord.

26 Q. How did new life get pumped into
27 it?

28 A. The matter was taken up by the
29 Minister at the time.

30 Q. By whom?



A. "Dear Sir:

"In relation to the above application for supplementary

"I am writing in reference to

"the above application for supplementary

"Letters Patent.

"It is to advise that the

"Department of the Interior, subject to the

"Department of the Interior, subject to the

"carefully considered and it has been

"decided to grant supplementary letters

"patent permitting the corporation to

"change its principal place of business to 250 King

"Street West, in the City of Toronto,

"and not elsewhere."

And, annexed to it is a letter of December 1917,

1917, stating, "Subject to further instruction

by this Department before it will be issued."

"Very respectfully,
S. C. KILPATRICK, Commissioner of Patents and Trademarks."

Enclosed herewith, for the information of the

or perhaps I should say the solicitors who have

filed the application that the application was

received.

"The application was received, and

is now being

"How did new life get pumped into

100

A. The matter was taken up by the

Minister at the time.

"Very respectfully,
S. C. KILPATRICK, Commissioner of Patents and Trademarks."



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A. By the solicitor for the club.

Q. I see.

A. I gather that is what happened.

MR. ESTEY: Q. To take it one step at a time to answer the Commissioner's question, you have previously read the letter of 22nd of December?

A. Yes.

Q. Then, on the 31st of December one of your assistants wrote a letter with the effect of reversing your letter?

A. Yes.

THE COMMISSIONER: Q. What did the assistant's letter say?

A. "I am writing in reference---"---

Q. You have already read the letter. The Reporter does not need to write it down again. Just read it to me, please.

---Witness reads above-mentioned letter.

Q. What authority did McNeil have to override you?

A. The matter was taken up with the Minister after I had refused, and the decision---

Q. Taken up by whom?

A. By the solicitor for the club.

Q. By the solicitor for the club?

A. Yes.

Q. All right.



A: I am waiting in reference to the letter.

A: I am waiting in reference to the letter.

A: I am waiting in reference to the letter.

MR. BARRY: Q. To take it one step at a

time to answer the Commissioner's question, you

have previously read the letter of 22nd of

December.

A: Yes.

A: I am waiting in reference to the letter.

of your assistants wrote a letter with the effect

of reversing your letter.

A: Yes.

THE COMMISSIONER: Q. What did the

Commissioner's letter say?

A: "I am waiting in reference to the letter."

Q. You have already read the letter.

The Reporter does not need to write it down

again. Just read it to me, please.

THE COMMISSIONER: Q. I am waiting in reference to the letter.

A: I am waiting in reference to the letter.

to override you?

A: The matter was taken up with

the Minister after I had returned, and the

Minister said:

Q. Taken up by whom?

A: By the Minister for the club.

Q. By the Minister for the club?

A: Yes.

A: Yes.



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MR. ESTEY: Q. Who was that?

A. Messrs. Goodman and Goodman.

E. A. Goodman.

Q. E. A. Goodman?

THE COMMISSIONER: Were they always
the solicitors?

MR. WILSON: They were.

MR. ESTEY: Q. In 1949 I believe they
made the application for letters patent, did
they not, Mr. Cudney?

A. Yes, they were the solicitors at
incorporation.

Q. Now, then---

THE COMMISSIONER: Q. And apparently the
Minister decided to issue the supplementary
letters patent?

A. Yes.

Q. All right.

MR. ESTEY: Q. Now, Mr. Commissioner, I
have
~~would like to~~ taken that sequence chronologically
through the public file in order to get the
framework in dates.

Now, if I may, I would like to go back
and fill in what happened on the private file.

THE COMMISSIONER: Yes, all right.

That is going to take us back.

MR. ESTEY: It won't take very long.

I would like to go back to the application
in 1949; and if you have before you, Mr. Cudney,
the "O" file?



THE COMMISSIONER: Now, Mr. G.

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at

Q. Yes, they were the solicitors at

A. Yes, they were the solicitors at



1 A. Yes.

2 Q. O-27963, this is still in the "O"
3 file, am I correct?

4 A. Yes.

5 Q. There was a subsequent application
6 for letters patent?

7 A. Yes.

8 Q. And there is a reply from the
9 Metropolitan Police who were, then, I suppose,
10 the City of Toronto Police, dated the 21st day
11 of March, 1949 -- Well, that may be the
12 actual police report.

13 A. The police report I received at
14 March 23, 1949, from the City Police.

15 THE COMMISSIONER: Q. Was it favourable
16 or unfavourable?

17 MR. ESTEY: Q. Now, that report said
18 what?

19 THE COMMISSIONER: Q. Is it long?

20 A. It is a long report.

21 MR. ESTEY: Q. Let us have the con-
22 clusion?

23 A. It is an unfavourable report.
24 It strongly recommended that the Spadina
25 Charter be refused.

26 Q. Now, without getting into the
27 long reading of that letter, we have seen
28 enough of these files, Mr. Gudney, that perhaps
29 we could have the reason. I think it says at
30



A. Yes.

Q. 0-27933, this is still in the "Q"

file, am I correct?

A. Yes.

Q. There was a subsequent application

for letters patent?

A. Yes.

Q. And there is a reply from the

Metropolitan Police who were, then, I suppose,

the City of Toronto Police, dated the 21st day

of March, 1949 -- Well, that may be the

same as the other.

A. The police report I received as

dated 21st March, 1949, from the City Police.

THE COMMISSIONER: Q. Was it favourable

or unfavourable?

A. Yes, it was favourable.

What?

THE COMMISSIONER: Q. Is it long?

A. It is a long report.

MR. MAY: Q. Let us have the con-

clusion.

A. It is an unfavourable report.

It strongly recommended that the Spadina

Station be removed.

Q. Now, without getting into the

long reading of that letter, we have seen

some of the other, Mr. Commissioner, the

we could have the reason. I think it says so



1 the first of the report that the police
2 strongly objected to issuing those letters
3 patent. You see a reference to the president
4 of the club, the proposed president; he was
5 one of the persons who made the application,
6 and that he had been approached by three people?

7 A. Yes.

8 Q. "William Slater.

9 "This man is to be the President
10 "of the club. He is a brother of
11 "John Slateroff also mentioned as a
12 "petitioner and had his name changed
13 "for business reasons.

14 "Slater informed the Officers
15 "that he had 'provided a little money
16 "but not too much' for the opening of
17 "the club.

18 "Slater also said he had been
19 "approached by Jack Shapiro, who is
20 "a personal friend of his, David
21 "Yakubowitz also Louis Geller and
22 "was asked by them if he would act
23 "as President of the club.

24 "Slater appears to be a
25 "perfectly legitimate businessman
26 "and strongly emphasized to the
27 "investigating officers that if the
28 "club is not operated in a proper
29 "manner, he will withdraw from any
30

the time of the report that the police

investigation of the case was

present. You see a reference to the president

of the club, the proposed president; he was

one of the persons who made the application,

and that he had been approached by three people

A. Yes.

F. William Miller.

"This man is to be the president

"of the club. He is a brother of

"John Blotnick also mentioned as a

"petitioner and had his name changed

"to William Miller.

"Blotnick informed the officers

"that he was a little man

"but not too much for the opening of

"the club.

"Blotnick also said he had been

"approached by Jack Shapiro, who is

"a personal friend of his, David

"Blotnick also knows Miller and

"was asked by them if he would see

"a president of the club.

"Blotnick appears to be a

"personally acquainted with

"and strongly emphasized to the

"investigating officers that if the

"club is not opened in a proper

"manner, he will withdraw from any



1 "Participation in this club..." . . .
2 And then it goes on.

3 Does it not set out a reference to the
4 three people? I take it he was to act as a
5 front?

6 A. Yes, it sets out the reference to
7 one, two, three people.

8 Q. And then you took this under
9 advisement, and I think you have a memo on file
10 dated April 20th, 1949?

11 A. April 20th, 1949, yes.

12 THE COMMISSIONER: What is that?

13 MR. ESTEY: Q. What is it exactly; is it
14 a memorandum that you wrote?

15 A. Yes, for the file.

16 Q. From the file, written by you?

17 A. Yes.

18 Q. What is the effect of that?

19 A. Well, the effect is I had been
20 speaking to the Minister, and:

21 "On his suggestion I had two of the
22 "applicatns, Messrs. Slotteroff and
23 "Slater in the office with their
24 "solicitor, Mr. E. A. Goodman. The
25 "applicants assured me that Shapiro
26 "and two other persons named by the
27 "Police had not approached them in
28 "any way to incorporate and operate
29 "the Club. The applicants stated



"...in this case..."

And that is all.

Does it not set out a reference to the

three people? I take it he was to set as a

trust

A. Yes, it sets out the reference to

one, two, three people.

Q. And then you took this under

advisement, and I think you have a memo on file

dated April 20th, 1949?

A. Yes, April 20th, 1949.

THE COMMISSIONER: What is that?

MR. EATON: Q. What is it exactly? Is it

a memorandum that you wrote?

A. Yes, for the file.

Q. And the file, which is now

in the

Q. What is the effect of that?

A. Well, the effect is I had been

speaking to the Minister, and:

"On this suggestion I had two of the

"applicants, Messrs. Altoroff and

"Altoroff in the office with them.

"Altoroff, Mr. R. A. Goodman. The

"applicants assured me that Shapiro

"and two other persons named by the

"Police had not approached them in

"any way to incorporate and operate

"one firm. The applicants stated



1 "that they were acquainted with
2 "Shapiro and he may be a member of
3 "the Club but he would have no control
4 "of its affairs. Messrs. Slotteroff
5 "and Slater are brothers. Slater is a
6 "business man who intimates that there
7 "is a need for a club on Spadina, the
8 "members of which would be largely
9 "the business men of the district.
10 "Slotteroff is to be manager of the
11 "Club.

12 "I discussed this matter with
13 "(The Minister) and he intimated that
14 "the charter should be issued."

15 Q. He denied connection with those
16 named individuals?

17 A. Yes.

18 Q. So that the effect of that is
19 that Slotteroff apparently told Inspector Albert
20 Lee one thing and told you another?

21 A. That is apparently so. The police
22 report -- The report is signed by Albert Lee.
23 Yes.

24 Q. Now, these social clubs, do you
25 re-investigate them when the police have
26 investigated?

27
28 (Page 12820 follows)...



"I am not sure of that."

"Shapiro and he may be a member of

"the club but he would have no voice

"in the club. I am not sure of that."

"and Shapiro are brothers. Shapiro is a

"member of the club and Shapiro is a

"member of the club on Shapiro, the

"members of which would be largely

"the business men of the district.

"Shapiro is to be manager of the

"club."

"I discussed this matter with

"(The Minister) and he indicated that

"the charter should be issued."

Q. He denied connection with those

members of the club?

A. Yes.

Q. So that the effect of that is

that Shapiro apparently told Inspector Albert

Lee one thing and told you another?

A. That is apparently so. The police

report -- The report is signed by Albert Lee.

Q.

Now, these social clubs, do you

re-investigate them when the police have

investigated?



D/1/JMcG

1 A. No, I didn't, Mr. Estey. I do
2 remember one case where there was a matter
3 of noise, there was an objection to the club
4 because of noise and there were letters from
5 different people, very reputable people in
6 that district, so I went myself and checked
7 in the district to get the view of the house-
8 holders.

9 Q. You checked on the noise yourself?

10 A. I was making inquiries as to
11 the noise.

12 THE COMMISSIONER: From your answer,
13 the policy of the Department is to have these
14 investigations, these investigative measures
15 taken on your behalf by the police?

16 A. Yes, that is true.

17 Q. And you investigated the same
18 ground that the police had reported on to you?

19 A. There was no suggestion of
20 gambling in this case, it was just a matter
21 of inconsistency,
22 of noise. There was some ~~xxxxx~~, some said
23 there was and some said there wasn't.

24 Q. I am talking about the Spadina
25 club.

26 A. We were relying on the police
27 report.

28 THE COMMISSIONER: You didn't hear any.
29 In the final analysis the police report
30 wasn't relied on



A. No, I didn't, Mr. Hasty. I do

remember one case where there was a matter
of noise, there was an objection to the club
because of noise and there were letters from
certain people, very respectable people
that district, so I went myself and checked
in the district to get the view of the house-
holders.

Q. You checked on the noise yourself?

A. I was making inquiries as to

the noise.

THE COMMISSIONER: From your answer,

the policy of the Department is to have these
investigations, these investigative measures
taken on your behalf by the police?

A. Yes, that is true.

Q. And you investigated the same

ground that the police had reported on to you?

A. There was no suggestion of

sampling in this case, it was just a matter
of noise. There was some hunt, some said

there was and some said there wasn't.

Q. I am talking about the Spadina

club.

A. We were relying on the police

THE COMMISSIONER: You didn't hear any.

In the final analysis the police report

wasn't relied on



1 A. Yes.

2 Q. In spite of it being unfavourable
3 the charter was issued?

4 A. Yes.

5 Q. Let me see if I understand you
6 correctly, when the application was first
7 received there was a reference to the police
8 and on March 23rd did you receive a report,
9 dated March 21st, an unfavourable report and
10 strongly recommending a refusal of the
11 charter and stating that one of the applicants
12 was just a front for the actual applicants?

13 A. Yes, naming three people.

14 Q. Having received that unfavourable
15 report, what did you do?

16 A. The report was received on
17 March 21st.

18 Q. What did you do, that is what I
19 am interested in.

20 A. There is a memorandum. All I
21 can recall is there was a memorandum on file
22 dated April 20th in which I state I have
23 discussed the matter with the Minister and at
24 his suggestion I interviewed the applicants
25 and I discussed this matter with the Minister
26 and he intimated the charter should be issued.
27 This was in 1949 - this was thirteen years
28 ago.

29 Q. Refreshing your memory from the
30



Q. Referring your memory from the
this was in 1949 - this was thirteen years
and he indicated the charter should be amended,
and I discussed this matter with the Minister
his suggestion I interviewed the applicant
discussed the matter with the Minister and as
I recall in there was a memorandum on this
A. There is a memorandum. All I
am interested in.
Q. What did you do, that is what I
March 1949.
A. The report was received on
report, what did you do?
A. I am not sure, but I think I
was just a front for the actual application
matter and stating that one of the applicants
strongly recommending a refusal of the
dated March 1949, an unfavorable report and
and on March 1949 did you receive a report,
received there was a reference to the police
Q. Let me see if I understand you
the charter was amended?



1 report, it would appear that having received
2 an unfavourable report a meeting was brought
3 about at which you discussed the matter with
4 some of the applicants?

5 A. Yes.

6 Q. And at that meeting, if I understand
7 it you, Slotteroff wasn't the actual applicant?

8 A. Yes, it says --

9 Q. Never mind that, is that a fact?

10 A. Yes, that they were not a front,
11 that this alleged back man would have no
12 control over the affairs, in other words they
13 were not a front.

14 Q. Having that supplementary
15 information you were then in this position
16 you had an unfavourable police report and as
17 a result of such information as you brought
18 out at that meeting, what did you do?

19 A. I discussed it again with the
20 Minister.

21 Q. What did he think?

22 A. It says I discussed it with the
23 Minister and he intimated the charter should
24 be issued. I called that meeting at the
25 Minister's suggestion in the first instance.

26 Q. Who was that Minister?

27 A. Mr. Porter.

28 Q. Does that bring it up to date?

29 A. Yes.
30



...the ...

an unfavorable report a meeting was brought

about it when you discussed the matter with

some of the applicants?

A. Yes.

Q. And a special meeting, is it understood

...the ...

A. Yes, it says --

Q. Never mind that, is there more?

A. Yes, that they were not a group.

...the ...

control over the affairs, in other words they

...the ...

...the ...

information you were then in this position

you had an unfavorable police report and as

a result of such information as you brought

out at that meeting, what did you do?

A. I discussed it again with the

Minister.

Q. What did he think?

A. It says I discussed it with the

Minister and he indicated the chapter should

be issued. I called that meeting at the

Minister's suggestion in the first instance.

Q. Who was that Minister?

A. Mr. Porter.

Q. Does that bring it up to date?

A. Yes.



1
2 MR. ESTEY: Not quite, my lord. In
3 the ordinary course of granting a charter,
4 such as the Spadina charter, if you were
5 satisfied that the Act had been complied with
6 and this was a proper case, you would issue the
7 charter?and that is the end of it?

8 A. If the report was favourable,
9 yes.

10 Q. Is that right?

11 A. Yes.

12 Q. Here you didn't recommend the
13 issuance of letters patent?

14 A. Ordinarily on a report, if it
15 wasn't very good, I would turn it down myself.
16 Now, everything is referred to the Minister.
17 If I was in doubt my practice was to take up
18 the adverse report with the Minister.

19 THE COMMISSIONER: Q. Here you had an
20 adverse report and you had a meeting with the
21 applicants at which time you probed the matters
22 on which the police had reported?

23 A. Yes.

24 Q. Now it is so long ago you can't
25 recall just what conclusion you came to as a
26 result of your further probe, is that what you
27 say?

28 A. When I first read the report,
29 whether I turned it down or not. Apparently,
30 by the memorandum, I think I must have taken it



Q. Now, not quite, my friend, in

the ordinary course of granting a charter,

such as the Reading charter, if you were

satisfied that the Act had been complied with

and this was a proper case, you would issue the

charter, is that right?

A. If the report was favourable,

Q. Is that right?

A. Yes.

Q. Here you didn't recommend the

issuance of the charter?

A. Ordinarily on a report, if it

was favourable, I would issue the charter.

Now, everything is referred to the Minister,

is it not? It was in doubt my practice was to take up

the adverse report with the Minister.

Q. Now you had an

adverse report and you had a meeting with the

applicant at which time you probed the matters

on which the police had reported?

A. Yes.

Q. Now it is so long ago you can't

recall just what consultation you came to as a

result of your further probe, is that what you

A. When I first read the report,

whether I turned it down or not. Apparently,

by the memorandum, I think I must have taken it



1 up with the Minister.

2 Q. And he suggested you take it up
3 with the applicants?

4 A. Yes.

5 Q. Can you remember whether you
6 recommended for or against a charter?

7 A. No, I can't, my lord. As a
8 matter of fact, the whole thing happened thirteen
9 years ago and it is just what I am reading here
10 on my memorandum. I can't remember.

11 Q. I suppose it is entirely possible,
12 I am not saying this is what happened, but
13 it is entirely possible that on this further
14 probe by you, you did satisfy yourself that
15 this was a case which, notwithstanding the
16 adverse report, a charter should issue
17 because the matters on which the report had
18 been made had been cleared up by you during
19 your interview with the applicants?

20 A. That is true, that would be possible.

21 MR. ESTEY: Q. Does your file show
22 any letter back to the police saying you
23 were going ahead and issuing a charter?

24 A. There is a letter, the usual
25 letter to the police saying that the charter
26 was issued and advising that the club had been
27 incorporated.

28 Q. That is a form letter?

29 A. Yes.
30



to with the Minister.

Q. Did he suggest you was it in

with the applicant?

A. Yes.

Q. Did he suggest that you was

intended to or against a charter?

A. No, I can't, my lord. As a

matter of fact, the whole thing happened thirteen

years ago and it is just what I am reading here

in the newspaper. I can't remember.

Q. I suppose it is entirely possible,

I am not saying this is what happened, but

it is entirely possible that you were

probe by you, you did satisfy yourself that

this was a good thing, wasn't it?

Q. Yes, I think so.

because the matters on which the report had

been made had been cleared up by you during

your interview with the applicant?

A. That is true, that would be possible.

Q. Did you then tell him

any letter back to the police saying you

were going ahead and issuing a charter?

A. There is a letter, the usual

letter to the police saying that the charter

was issued and advising that the club had been

reinstated.

Q. That is a form letter?

A. Yes.



1 Q. There was nothing specifically
2 about this further investigation?

3 A. No.

4 Q. In respect of that application
5 to move the headquarters to 560 King Street,
6 which was adverse to your letter of November
7 30th and Mr. McNeil's letter. When you
8 received that application you, in the ordinary
9 course, referred it to the two police forces and
10 on the 14th of August you asked Inspector
11 Walker if he objected to the club moving to
12 560 King Street. You did the same with the
13 Provincial Police and can you tell us the
14 replies you received from these two police
15 forces?
16

17 A. There is a report from the
18 Metropolitan Police.

19 Q. That is the 18th of November, 1957,
20 is it not?

21 A. This is August 26th, 1957, from
22 Inspector Walker. He says:

23 "An officer from the Morality

24 "Division interviewed Mr. Thomas

25 "Clooney, president, and Mr. Sam

26 "Klein, director, Associated

27 "Toronto Taxicab Limited, owners

28 "and occupiers of the premises

29 "situated at 560 King Street West,

30 "on August 20th, 1957. This premise



Q. There was nothing specifically

about the letter.

A.

Q. In respect of that application

to move the headquarters to 550 King Street,

which was adverse to your letter of November

30th and Mr. McNeil's letter. When you

received that application you, in the ordinary

course, referred it to the two police forces and

on the 1st of August you sent Inspector

Walker if he objected to the club moving to

550 King Street. You did the same with the

Provincial Police and can you tell us the

reply you received from those two police

forces?

A. There is a report from the

Provincial Police.

Q. That is the 18th of November, 1957,

is it not?

A. This is August 20th, 1957, from

Inspector Walker. He says:

"An officer from the Ministry

"of the Attorney General, Mr. [unclear]

"O'Looney, president, and Mr. [unclear]

"[unclear], president, [unclear]

"Toronto Textile Limited, owners

"and occupants of the premises

"situated at 550 King Street West,

"on August 20th, 1957. This premises



1 "is a two-storey detached building,
2 "situated at the rear of a large
3 "gasoline and service station
4 "operated by the Co-operative.
5 "The main floor of the building
6 "houses offices and repair shops
7 "of the Co-operative while the
8 "second floor contains a large
9 "recreation room and restaurant
10 "facilities. The men were engaged
11 "in playing card games at the time
12 "of the investigation. Mr. Toomey
13 "advised the officer that the
14 "second floor was leased ^{by} ~~in~~ the
15 "company to the St. Patrick Recreation
16 "Club and that he had received no
17 "notice that the Spadina Social
18 "and Card Club was taking over
19 "the lease. Any such application
20 "would have to be passed by the
21 "board of directors of the Co-
22 "operative.

23 "
24 " Investigations were conducted
25 "at 163 $\frac{1}{2}$ Spadina Avenue. It was
26 "learned that the premises formerly
27 "occupied by the Spadina Social and
28 "Card Club had been taken over by
29 "the Army, Navy and Airforce Club in
30 "1951."



"The Army, Navy and Air Force Club in
"Card Club had been taken over by
"occupied by the Spadina Social and
"learned that the premises formerly
"at 183 1/2 Spadina Avenue. It was
"Investigation of the premises
"negative.
"board of directors of the Co-
"would have to be passed by the
"the lease. Any such application
"and Card Club was taking over
"notice that the Spadina Social
"Club and that he had received no
"company to the St. Patrick Recreation
"second floor was leased in the
"by
"advised the officer that the
"of the investigation. Mr. Toomey
"in playing card games at the time
"negative. The only other
"recreation room and restaurant
"second floor building a large
"the premises was with the
"negative. The only other
"located at the rear of a large
"gasoline and service station
"situated at the rear of a large



1 The fact was that the men on the
2 premises didn't seem to know anything about
3 the club coming in.

4 Q. In chronological order you received
5 a report from the Provincial Police?

6 A. Yes.

7 Q. That would be on the 5th of
8 September, 1957?

9 A. September 5th, 1957. That is
10 from Corporal Shrubb and Sergeant Anderson.
11 The first one is from George Scott, Constable,
12 addressed to Headquarters, and there is a report
13 signed by W.J. Shrubb, dated September 5th,
14 1957 and a memorandum of Sergeant Anderson.

15 Q. What is the essence of Shrubb's
16 report?

17 A. He says:

18 "All of the moves are facts
19 "which must be looked on in a
20 "very/suspicious manner especially
21 "when this group is presently
22 "breaking the law by charging
23 "table fees before a transfer
24 "of the club charter to the new
25 "address is approved."

26 Q. Did you have a report from the
27 Provincial Police dated the 26th of September,
28 1957?

29 A. Yes, I have it.
30



Q. The first one that was sent to the
 premises didn't seem to know anything about
 the case coming in.

A. In chronological order you received
 a report from the [unclear] Police?

Q. That would be on the 25th of
 September, 1937?

A. September 25th, 1937. That is

Q. The first one is from George Scott, Consulate,
 addressed to Headquarters, and there is a report
 signed by W. J. Shrubbs, dated September 25th,
 and a [unclear] of [unclear] [unclear]
 C. What is the essence of Shrubbs' report?

A. He says:

"All of the moves are facts
 which have been found out in a
 [unclear] [unclear] [unclear] [unclear]
 [unclear] [unclear] [unclear] [unclear]
 "breaking the law by changing
 "cable fees before a transfer
 "of the club charter to the new
 "address is approved."

Q. Did you have a report from the

Investigative Police [unclear] [unclear] [unclear] [unclear]?

A. Yes, I have it.



1 Q. Is that report long?

2 A. It is a two-page report.

3 THE COMMISSIONER: We will leave it
4 for ten minutes.

5
6 ---Short recess.

7 THE COMMISSIONER: Now, you were down
8 to the Ontario Provincial Police report of the
9 26th of September.

10 MR. BTEY: That is a rather lengthy
11 report and I realize it is hard to ask the
12 Provincial Secretary to paraphrase a three-
13 page report. I wonder if you can give us
14 the sense of it. Much of it is a written
15 description of the history of the three
16 individuals.

17 A. Yes. ~~And I think paragraph 3~~

18 Q. And I think paragraph 3
19 is the meat of it:

20 A. "Mr. Slotteroff, when interviewed,
21 "stated he had resigned from the
22 "club executive in July, 1956 and
23 "that the reason for the change
24 "of club rooms was that a fire had
25 "forced the club from their
26 "premises at 163 1/2 Spadina Avenue
27 "approximately three years ago.
28 "He further stated that the member-
29 "ship of the club would include
30 "some of the old members and the



Q. Is that report long?

A. It is a two-page report.

THE COMMISSIONER: We will leave it

to the committee.

---Short recess.

THE COMMISSIONER: Now, you were born

to the Ontario Provincial Police report of the

20th of September.

Q. Now, that is a report of the

report and I realize it is hard to ask the

Provincial Secretary to paraphrase a three-

page report. I wonder if you can give me

the sense of it. Much of it is a written

description of the history of the three

individuals.

A. Yes. ~~XXXXXXXXXXXXXXXXXXXX~~

Q. And I think paragraph 3

is the most of it.

A. "Mr. Blotteroff, when interviewed,

"stated he had resigned from the

"club executive in July, 1926 and

"that the reason for the change

"of club rooms was that a fire had

"forced the club from their

"premises on 11th Street Avenue

"and that the club had been

"in the same place since the fire.

"ship of the club would include

"some of the old members and the



D/3

1 "taxi drivers who were located
2 "at the Associated Toronto Taxi
3 "Co-operative Limited, 560 King
4 "Street West. When asked if the
5 "club had been functioning during
6 "the last few years, he replied 'no'
7 "and added that certain members had
8 "held meetings. He also explained
9 "that in this club had originally
10 "been formed for the recreation
11 "of persons engaged in the clothing
12 "and garment industry in the Spadina
13 "Avenue and Queen Street area.
14 " (4) From Mr. Stone it was
15 "learned that the Spadina Social
16 "and Card Club has not been active
17 "for approximately four years.
18 "W. Stone stated the last meeting
19 "of the club took place in either
20 "April or May, 1956. At that time
21 "there was an election of officers
22 "and, as there was no one interested
23 "in the office of president, he
24 "accepted the nomination and was
25 "elected. He further added that,
26 "following the installation of the
27 "charter at the new address, he would
28 "resign his position, because he was
29 "no longer interested in the management
30



"last drivers who were located
"Go-operative Limited, 500 King
"Street West. When asked if the
"club had been functioning during
"the last few years, he replied no,
"and added that certain members had
"held meetings. He also explained
"that the club was not officially
"and stated that the members had
"the same as before in the district
"and garment industry in the Spadina
"district and that some of them
"from Mr. Stone is was
"learned that the Spadina Social
"and Card Club has not been active
"the Spadina Social Club.
"W. Stone stated the last meeting
"of the club took place in either
"April or May, 1925. At that time
"there was an election of officers
"and, as there was no indication
"in the office of president, he
"accepted the nomination and was
"elected. He further added that,
"following the installation of the
"chapter at the new address, he would
"resign his position, because he was
"no longer interested in the management



1 "of the club. At this meeting,
2 "Allan Greenberg, who is mentioned
3 "in the first part on this matter,
4 "was elected secretary-treasurer
5 "(a position which was declared to
6 "be held by John Slotteroff on the
7 "return filed on March 31st, 1957).
8 "It was also learned from Mr. Stone
9 "that Allan Greenberg and several
10 "others had attempted to incorporate
11 "a club too, being unsuccessful,
12 "they had resorted to obtaining
13 "the charter in question. When
14 "asked as to the assets of the club,
15 "W. Stone replied, 'I imagine there
16 "are a few bucks kicking around'.
17 "When questioned about illegal gambling
18 "being conducted by the club, he
19 "replied that there wouldn't be such.
20 "Mr. Stone reiterated J. Slotteroff's
21 "statement that the fire ~~had~~ at
22 "163½ Spadina Avenue had curtailed
23 "the club's activities approximately
24 "four years ago."

25
26 Q. Would you mind reading paragraph 8?

27 A. Yes:

28 " It is evident that, throughout
29 "this investigation, the persons
30 "interviewed have not hesitated to



"of the club. At this meeting,

"Allen Greenberg, who is mentioned

"in the first part of this matter,

"was elected secretary.

"(A further check was made on

"the date of last meeting on the

"volume of the club's records.)

"It was also found that the

"club's records are not

"correctly maintained.

"A club book, which is

"not mentioned in the

"club's records, was

"found in the possession of the

"club's secretary, it was found

"that the club's records

"were not maintained

"being conducted by the club, he

"realized that there wouldn't be such

"a book maintained. It was

"found that the club's

"1934 Reading Avenue had contained

"the club's activities approximately

"the club's records."

6. Would you mind reading paragraph 8?

"It is evident that, throughout

"Interviewed have not hesitated to



1 "make false statements. District
2 "Chief Mason, states that the only
3 "fire at 163½ Spadina Avenue, in
4 "the years 1953 and 1954 took place
5 "in 1954, at the rear of the said
6 "premises, causing damage of \$25.
7 "It therefore can be assumed that
8 "such a fire would not have the
9 "effect of disrupting the club's
10 "activities as stated previously
11 "in this report by the interviewed
12 "persons. The facts disclosed in
13 "this report indicate that the
14 "character of Mr. Stone, despite the
15 "absence of a conviction of a criminal
16 "offence, leaves much to be desired
17 "of a person holding office in a
18 "chartered club."

19 Q. May I ask you this, if you can
20 answer it - you may not be able to. What
21 is the reference in that report you have just
22 read to the failure to obtain a charter? Was
23 there an earlier application for a Spadina
24 charter other than the one in February, 1949?

25 A. Not that I know of, Mr. Estey.
26 I don't think it is the Spadina Club he is
27 referring to at all.

28 Q. It is ambiguous. I note in
29 your 'C' file there is no reference to another
30



State Police Department, Chicago

Chicago, Illinois, January 10, 1934

"Time at 1034 Spadina Avenue, in

"the years 1923 and 1924 took place

"in 1924, at the rear of the said

"premises, during the year of 1924,

"it therefore can be assumed that

"and a time which was not

"of the same nature as the

"activities as stated previously

"in this report by the interviewed

"persons. The facts disclosed in

"this report indicate that the

"character of Mr. Stone, despite the

"absence of a conviction of a criminal

"offense, leaves much to be desired

"of a person holding office in a

"chartered club."

Q. May I ask you this, if you can

answer it - you may not be able to. What

is the reference in that report you have just

read to the failure to obtain a charter? Was

there an earlier application for a Spadina

charter other than the one in February, 1927?

A. Not that I know of, Mr. Weedy.

I don't think it is the Spadina Club he is

referring to at all.

Q. It is ambiguous. I note in

your 'C' file there is no reference to another



1 application but somewhere in here the
2 Provincial Police report indicates there was
3 an application for a charter which apparently
4 was a new application.

5 THE COMMISSIONER: That isn't the
6 impression I got; I was thinking of an
7 incorporated club.

8 MR. ESTEY: The words used, my lord,
9 were "did attempt to incorporate a club".

10 THE WITNESS: I took it to be another
11 club, not the Spadina Club.

12 MR. ESTEY: Q. I am asking you if you
13 know.

14 A. I can soon check that in our
15 files.

16 THE COMMISSIONER: Q. You don't know now?

17 A. No.

18 MR. ESTEY: Q. I perhaps can also come
19 back to that at another time. What you
20 received next was a report from the Metropolitan
21 Police on this move to King Street.

22 THE COMMISSIONER: That was August
23 26th.

24 THE WITNESS: There was another one,
25 both Forces gave two reports.

26 MR. ESTEY: Q. The second report is
27 dated November 20th, 1957?

28 A. Yes.

29 Q. That is a letter from Chief Chisholm
30



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...
Provincial Police report indicates there was
an application for a charter which apparently
was a new application.

THE COMMISSIONER: That isn't the

... I was talking about in

... club.

MR. WATKINS: The words used, my friend,

were "did attempt to incorporate a club".

THE WITNESS: I took it to be another

club, not the Spedone Club.

MR. WATKINS: I am asking you if you

A: I can soon check that in my

files.

THE COMMISSIONER: O. You don't know now?

A: No.

MR. WATKINS: O. I perhaps can also come

back to that at another time. What you

received next was a report from the Metropolitan

Police on this move to King Street.

THE COMMISSIONER: That was August

THE WITNESS: There was another one,

both forces gave two reports.

MR. WATKINS: The second report is

... report.

A: Yes.

... is a letter from the



1 to your Mr. McNeil?

2 A. It was addressed to myself,
3 attention of Mr. McNeil.

4 Q. Favourable or unfavourable?

5 A. It was unfavourable. He states
6 it became a blind for large-scale gambling.

7 Q. Well, go on.

8 A. He said some form of recreation
9 for these people is good but the possibilities
10 occur that games in the form of gambling would
11 occur and he says, "I cannot recommend the
12 change from Spadina to King Street be granted".

13 THE COMMISSIONER: Q. I understand it
14 started out as an endeavour on behalf of
15 persons engaged in the garment industry and
16 developed into something for the benefit
17 of the taxi drivers?

18 A. Yes, apparently.

19 Q. Isn't that so?

20 A. Yes, that is true.

21 MR. ESTEY: Q. I have now located the
22 source of my note and this in fact is the
23 second application for incorporation. In
24 regard to the Acme Club, there is filed a
25 police report as of the 2nd of September, 1960,
26 in which they say in March 1948 ^{an} application
27 for incorporation was made to the Provincial
28 Secretary for the Spadina Social Club.
29 As a result of investigations by police officers
30



Secretary for the Spadina Social Club.

For information was made to the President

in which they say in March 1948 this application
on
police report as of the 2nd of September, 1950,

regard to the Home Club, there is filed a

Second Application for Incorporation. In

Source of my note and this in fact is the

MR. HATLEY: Yes. I have now located the

THE UNIVERSITY OF CHICAGO

1900-1901

... ..

Yanovich had not to

10 118100 10 100000000 19 88 310 000000

[illegible][illegible]



1 and so on, that application was declined by
2 the Provincial Secretary. My notes indicate
3 they changed the name of the applicant and
4 you may be good enough to look that up and
5 let us know about it later.

6 A. Yes, that was in 1948.

7 Q. We have two police reports and
8 your refusal of the supplementary letters
9 patent in November, 1947. Can you tell us
10 what transpired next?

11 A. As near as I can recall I had
12 turned it down and the matter had been taken
13 up with the Minister who made the decision to
14 issue the supplementary letters patent.

15 Q. In your old file is there any
16 correspondence between the second and the
17 31st of December, ~~1952~~ 1957?

18 A. My letter of refusal was dated
19 December 2nd and there seems to be no other
20 correspondence until December 31st.

21 THE COMMISSIONER: Q. You refused it
22 in the first instance?

23 A. Yes.

24 Q. And then the Minister apparently
25 decided that the supplementary letters patent
26 would issue without consulting with you again?

27 A. I think, my lord, as I recall
28 it, he did bring it to my attention and
29 consulted with me and decided to issue the
30



and on the 10th of January, 1944, the decision was made to issue the patent. The decision was made by the Minister and the Secretary of State for the Home Department. You may be good enough to look that up and let us know about it later.

A. Yes, that was in 1944.

Q. We have two police reports and

your report of the investigation. Patent in November, 1944. Can you tell us what transpired next?

A. As near as I can recall I had

heard it from the Minister and then I went up with the Minister who made the decision to issue the supplementary letters patent.

Q. In your old file is there any

correspondence between the Minister and the Secretary of State?

A. My letter of refusal was dated

December 2nd and there seems to be no other

correspondence with the Minister.

THE COMMISSIONER: Q. You refused it

in the first instance?

A. Yes.

Q. And then the Minister apparently

decided that the supplementary letters patent

would issue without consulting with you again?

A. I think so, as I recall

it, he did bring it to my attention and

consulted with me and decided to issue the



1 supplementary letters patent.

2 Q. That is not as I understand it
3 at all. On December 22nd, 1957, you wrote
4 the solicitors for the applicant refusing
5 the application?

6 A. Yes.

7 Q. And the next you knew, as I
8 understand it, and you will correct me if I am
9 wrong, was that Mr. McNeil wrote to the
10 solicitors for the applicant?

11 A. No, that isn't quite correct.

12 Q. What did happen?

13 A. As I recall it, I knew the
14 solicitor for the applicants was taking it up
15 with the Minister and I remember the Minister
16 decided to issue it.

17 Q. And so advised you?

18 A. Yes, and Mr. McNeil was writing
19 the usual letter.

20 MR. ESTEY: Q. I take it you weren't
21 present when Mr. Goodwin spoke to the Minister?

22 A. No.

23 Q. Is that customary that you are
24 present or are not present?

25 A. Not always, no.

26 Q. Was this on the ordinary procedure
27 where McNeil, one of your juniors, would write
28 the letter?

29 A. What did happen was the Minister
30



supplementary letters patent.

Q. That is not as I understand it.

at all. On December 22nd, 1927, your witness

the witness was not present at the

the witness

A. Yes.

Q. And the next you knew, as I

understand it, and you will correct me if I am

wrong, was that Mr. McNeill wrote to the

Minister for the Solicitor?

A. No, that can't quite connect.

Q. And the witness

A. As I recall it, I knew the

Solicitor for the applicants was taking it up

with the Minister and I remember the Minister

decided to issue it.

Q. And so advised you?

A. Yes, and Mr. McNeill was waiting

the same day.

MR. WATKINS: Q. I take it you weren't

present when Mr. Goodwin spoke to the Minister?

A. No.

Q. Is that correct, that you

were not present?

A. Yes, sir.

Q. Was this on the ordinary procedure

where McNeill, one of your juniors, would write

the letter?

A. Yes, sir.



1 decided to issue it and I was so advised
2 and Mr. McNeill wrote the letter.

3 Q. You advised McNeill?

4 A. Yes, I advised McNeill.

5 Q. Again I want to ask you the same
6 question as I did before - in some letters
7 patent I take it that you do not recommend
8 the issue of these letters patent?

9 A. No, I don't recommend the letters
10 patent. As far as the letters patent are
11 concerned, all I can remember is the memo on
12 the file.

13 Q. What I intended to ask you is
14 if you recommended the supplementary letters
15 patent?

16 A. No.

17 Q. I have already asked you about
18 the letters patent.

19 A. Yes.

20 Q. You have told us you did not
21 recommend the letters patent?

22 A. No.

23 Q. That takes us to the end of 1957.
24 Now, what happened next? I am not interested
25 in the annual returns and the ~~xxxxxx~~ routine,
26 but what happened next in your old file?

27 A. Other than the report dated
28 December 1st, 1959 to Chief Mackey, from
29 Inspector Walker attaching a certified copy
30



decided to issue it and I was so advised

and Mr. McNelly wrote the letter.

Q. You advised McNelly?

A. Yes, I advised McNelly.

Q. Again I want to ask you the same

question as I did before - in some letters

patent I take it that you do not recommend

the issue of the letters patent.

A. No, I don't recommend the letters

patent. As far as the letters patent are

concerned, all I can remember is the memo on

the file.

Q. What I intended to ask you is

if you recommended the supplementary letters

patent?

A. Yes.

Q. I have already asked you about

the letters patent.

A. Yes.

Q. You have told us you did not

recommend the letters patent?

A. Yes.

Q. That takes us to the end of 1957.

Now, what happened next? I am not interested

in the annual returns and the numerous rulings,

but what happened next in your old file?

A. I am not sure of the date.

December 1st, 1959 to Chief Mackey, from

Inspector Walker attaching a certified copy



1 of a conviction of one Joseph Tripodi of
2 being convicted of unlawfully selling lottery
3 tickets, that is all. In the letter on file
4 there doesn't seem to be a covering letter
5 from the Chief of Police of the Department.
6

7 Q. The next is a copy of a letter ---

8 THE COMMISSIONER: Just a moment, what
9 is the name?

10 A. Joseph Tripodi.

11 MR. ESTEY: Before you leave that report,
12 the last paragraph recommends cancellation,
13 does it not?

14 A. Yes. By the way, there are
15 two convictions of Tripodi, one for keeping
16 a common gaming house at 560 King Street West
17 and the other for the sale of lottery tickets.

18 Q. In that report the officers
19 interviewed the applicants for incorporation,
20 did they not?

21 A. In this report?

22 Q. If you look at the first page,
23 you will see it.

24 A. On February 14th, 1958, a letter
25 was received giving the names of the applicants
26 and on March 4th, 1958 the Deputy Provincial
27 Secretary received another application and
28 the only change being the name of one of
29 the applicants had been substituted for another.

30 Q. And it goes on to say he



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at a meeting of the Board of Directors
being held on Monday, January 19, 1936
tickets, that is all. In the letter on file
there doesn't seem to be a covering letter
from the Chief of Police of the Department.
Q. The next is a copy of a letter ---
the Chairman, that is all, and
at the same time
Q. I have looked at it.
MR. KELLY: Before you leave that report,
the last paragraph recommends cancellation,
and it is
A. Yes. By the way, there are
two convictions of Tripodi, one for keeping
a common gaming house at 500 King Street West
and the other for the sale of lottery tickets.
Q. In that report the officers
interviewed the applicants for incorporation,
and they were
A. In this report
Q. If you look at the first page,
you will see it.
Q. In the report, it is stated
was received giving the names of the applicants
and on March 4th, 1936 the Deputy Provincial
Secretary received another application and
the only change being the name of one of
the applicants had been substituted for another.
Q. And it goes on to say he



1 interviewed all these people and one said he
2 knew nothing of it and another said he knew
3 very little.

4 A. Yes.

5 Q. This goes on for four pages and
6 you come to the very last page and it says:

7 "In view of the foregoing investigations
8 "and convictions, I respectfully suggest
9 "that representations be made to the
10 "Deputy Provincial Secretary recommend-
11 "ing the cancellation of the Provincial
12 "charter of the Spadina Social and
13 "Card Club."

14 That doesn't say anything new?

15 A. No.

16 Q. And the final recommendation is
17 against the granting of the charter?

18 A. Yes, the recommendation is
19 against the granting of a charter.

20 Q. And a recommendation for can-
21 cellation that came to you in December, 1959?

22 A. The report is dated December 1st,
23 1959 from Inspector Walker to Chief Mackey.
24 There seems to be no covering letter from
25 Chief Mackey to myself and the usual practice
26 is for the Chief to enclose a copy of the
27 report with a covering letter.

28 Q. In any case you did receive it
29 and did act on it?
30



Interviewed all these people and one said he
was afraid of it and didn't want to know

very little.

A. Yes.

Q. This goes on for four pages and

you come to the very last page and it says:

"In view of the foregoing investigations

"and convictions, I respectfully suggest

"that representations be made to the

"Provincial Council for the purpose of

"having the cancellation of the Provincial

"charter of the Spanish Social and

"Card Club."

That was the substance of it.

A. No.

Q. And the final recommendation is

against the granting of the charter?

A. Yes, the recommendation is

against the granting of the charter.

Q. And a recommendation for can-

celsion that came to you in December, 1932?

A. The report is dated December 1st,

1932 from Inspector Walker to Chief Mackey.

There seems to be no covering letter from

Chief Mackey to myself and the usual practice

is for the Chief to enclose a copy of the

report with a covering letter.

Q. In any case you did receive it

and did act on it?



1
2 A. I recall receiving it some time
3 in December or January.

4 Q. Then you sent a notice to the
5 club on February the 2nd?

6 A. On February 2nd I wrote to the
7 club that it had been brought to the attention
8 of the Department that Joseph Tripodi had been
9 convicted of keeping a common gaming house
10 at 560 King Street West. I told them I
11 am advised ^{we are not} ~~you were~~ able to overlook these
12 convictions and one week from today an order
13 will be made under Section 352(1).

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17 (Page 12850 follows)
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A. I recall receiving it some time

in December or January.

Q. Then you sent a notice to the

club on February the 2nd?

A. On February 2nd I wrote to the

club that it had been brought to the attention

of the board that the 17th Street Club was

convicted of keeping a common gaming house

at 500 King Street West. I told them I

was sorry that the club was in such a position.

convictions and one week from today an order

will be made under Section 32(1).

(The witness stated)



E/1/FP

1 Q. That is the usual notice to
2 the club, and I believe they elected to have
3 a hearing?

4 A. Yes.

5 Q. How did they do that?

6 A. I received a letter, February 4th,
7 from Sol Gebirtig, Q.C.:

8 " I have been requested by the
9 "officers of the club to request a
10 "hearing with reference to the matter
11 "therein. Would you be good enough
12 "to let me know when the hearing
13 "will be held and oblige."

14 Q. All right. The file then contains
15 a letter from Magistrate Bigelow to yourself.
16 First of all, can you tell us the circumstances
17 under which -- Did you invite the letter or
18 how did it arrive?

19 A. No, I did not invite the letter.
20 I received the letter dated February 8th, 1960
21 from Magistrate Bigelow.

22 Q. Is that a lengthy letter?

23 A. No, it is not too long.

24 Q. Perhaps you might read that to
25 the Commissioner.

26 A. "Dear Mr. Gudney:

27 " Re: Spadina Social and Card Club

28 " I have been told by Mr. Sol

29 "Gebirtig, solicitor for the above
30



Q. That is the usual notice to

the club, and I believe they elected to have

a hearing?

A. Yes.

Q. How did they do that?

A. I received a letter, I believe, from

from Sol Gephart, Q.C.:

"I have been requested by the

"officers of the club to request a

"hearing with reference to the matter

"therein. Would you be good enough

"to let me know what the hearing

"will be held and oblige."

Q. All right. The file then contains

a letter from Magistrate Bigelow to yourself.

First of all, can you tell us the circumstances

under which -- Did you invite the letter or

how did it arrive?

A. No, I did not invite the letter.

I received the letter dated February 8th, 1903

from Magistrate Bigelow.

Q. Is that a lengthy letter?

A. No, it is not too long.

Q. Perhaps you might read that to

the Commissioner.

A. Yes, I will.

"Re: Spadina Social and Gaud Club

"I have been told by Mr. Sol

"Gephart, solicitor for the above



1 "mentioned club, that your Department
2 "has notified the club that its
3 "letters patent for the club is to
4 "be cancelled, one of the grounds
5 "being that on October 23rd, 1959
6 "one Joseph Tripodi was convicted
7 "of keeping a common gaming house
8 "situated on the club premises.

9 " I am the Magistrate who dealt
10 with "with this matter and recall the
11 "issue very well. The club had a
12 "bowling machine on its premises
13 "which after a lengthy trial I
14 "determined was a slot machine
15 "and illegal within the meaning of
16 "the Criminal Code. There seemed
17 "to be a great deal of doubt as to
18 "whether this machine came within
19 "the definition of 'slot machine'
20 "under Section 170 of the Criminal
21 "Code. Apparently this was the
22 "first charge with reference to such
23 "a machine, and I found that it did
24 "come within Section 170 of the
25 "Criminal Code. During the trial
26 "it appeared that Tripodi had asked
27 "the police if this machine was
28 "illegal, and they advised him that
29 "they did not know whether it was
30



"I am the defendant who dealt
with this matter and recall the
club had a
very well.
which after a lengthy trial I
determined was a fair trial
and I recall that the machine
the Criminal Code. There seemed
to be a great deal of doubt as to
whether this machine was really
the definition of 'slot machine'
under Section 170 of the Criminal
Code. Apparently this was the
first time that I had seen
a machine, and I found that it did
come within Section 170 of the
Criminal Code. During the trial
it appeared that the police had asked
the police if this machine was
illegal, and they advised him that
they did not know whether it was

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1 "legal or illegal. It appeared
2 "to me that this was an unwitting
3 "infraction of the law and that
4 "Tripodi, as president of the club,
5 "could not expected to know what
6 "the law would be or that it was
7 "being broken by having this bowling
8 "machine on the club premises.
9 "Although I convicted himn of keeping
10 "a oommon gaming house, I did not
11 "consider this to be of a serious
12 "nature in view of the circumstances,
13 "and suspended sentence on him, which
14 "you, of course, must realize, was
15 "the lightest sentence that I could
16 "impose on him.

17 " I hope this may be of some
18 "help in determining whether the
19 "letters patent should be revoked."

20 Q. Did that melt your hard heart,
21 Mr. Cudney, or did you keep right on with the
22 cancellation?

23 A. We proceeded with the hearing.
24 A hearing was set for --

25 Q. You did not reply?

26 A. No.

27 Q. Did not do anything about it?

28 A. No, I don't think we did.

29 Q. What did you do next?
30



"legal or illegal. It appeared

"to me that this was an unwitting

"disturbance of the law and that

"thereby, as previously of the law,

"could not expected to know what

"the law would be at that time

"being known by having been looking

"around on the other side.

"However I conceived that of course

"a common gaming house, I did not

"consider this to be of a serious

"nature in view of the circumstances,

"and suspended sentence on him, which

"you, of course, must realize, was

"the lightest sentence that I could

"impose on him.

"I hope this may be of some

"help in determining whether or

"whether patent should be revoked."

"The law is very clear and

Mr. Gurney, or did you keep right on with the

conclusion?

"The law is very clear and

A hearing was set for --

Q. You did not reply?

A. Yes.

Q. Did not do anything about it?

A. No, I don't think we did.

Q. What did you do about it?



1 A. No, there is no reply. Well,
2 I set that date, February 8th.

3 Q. Yes, we won't read the
4 administrative part of it. You then sent a
5 memorandum to Mr. Common, did you not?

6 A. Yes, I set a date for hearing for
7 February 16th, and then the hearing was held ---

8 Q. The 19th, was it not?

9 A. It was set for February 16th
10 and it was held February 16th and 19th. Then
11 I received the transcript of evidence, and
12 apparently I must have received the transcript
13 of evidence around the beginning or first
14 week of March, because I sent a transcript
15 to the solicitor and the police on March 7th.

16 Then on March 7th I wrote to Mr. Common.

17 Q. May I just ask you before we
18 get into the memo to Mr. Common, your policy
19 is to send a copy of the transcript to the
20 participating police and solicitor in the
21 hearing?

22 A. Yes.

23 Q. Do you then hear argument after
24 they have had a reasonable time to examine
25 the transcript?

26 A. No, we hear the evidence in-chief
27 and the cross-examination and then the defence
28 of the club, and then I hear argument from
29 both sides, with an opportunity for the
30



A. No, there is no reply.

administrative part of it. You then send a

memorandum to Mr. Common, did you not?

Q. The 19th, was it not?

and it was held February 18th and 19th. Then

I received the transcript of evidence, and

apparently I must have received the transcript

of evidence around the beginning of that

week of March, because I sent a transcript

to the collector and the police on March 7th.

Then on March 7th I wrote to Mr. Common.

Q. May I just ask you before we

get into the memo to Mr. Common, your policy

is to send a copy of the transcript to the

participating police and collector in the

A. Yes.

Q. Do you then hear argument often

they have had a reasonable time to examine

A. No, we hear the evidence in-chief

and the cross-examination and then the defence

of the club, and then I hear argument from

the witness, and then the witness is asked



1 applicant for the cancellation to reply,
2 and then I receive the transcript of evidence.

3 Q. You reserve your decision and
4 then you receive the transcript?

5 A. That is right.

6 Q. Can you tell us why the policy
7 of the Department is to send that transcript
8 out to the police and to the participating
9 solicitor?

10 A. Well, so as they will be apprised
11 on what has transpired and what the evidence
12 has been on both sides.

13 THE COMMISSIONER: The solicitor would
14 know that without you sending a transcript.
15 He would have been present at the hearing?

16 A. Yes, in case there is any
17 part of the evidence he wished to look over,
18 my lord, to analyze.

19 MR. ESTEY: Q. You don't have argument
20 again?

21 A. No, the argument ---

22 Q. This involves quite a delay,
23 does it not, waiting for the transcript and
24 sending it out?

25 A. Sometimes it does. It will take
26 sometimes a matter of weeks.

27 THE COMMISSIONER: When would the
28 charter be cancelled?

29 A. The charter was cancelled, my lord --
30



applicant for the cancellation to reply,

and then I receive the transcript of evidence,

Q. You receive your decision and

then you receive the transcript?

A. Yes, sir.

Q. Can you tell us why the policy

of the Department is to send that transcript

out to the police and to the participating

authorities?

A. Well, so as they will be apprised

on what has transpired and what the evidence

has been on both sides.

THE COMMISSIONER: The solicitor would

know that without you sending a transcript,

he would have been present at the hearing?

A. Yes, in case there is any

part of the evidence he wished to look over,

my lord, to analyze.

THE COMMISSIONER: The solicitor would

object

A. No, the argument --

Q. This involves quite a delay,

does it not, waiting for the transcript and

returning it?

A. Sometimes it does. It will take

sometimes a matter of weeks.

THE COMMISSIONER: When would the

charter be cancelled?

A. The charter was cancelled, my lord --



1 Q. April 21st, 1960?

2 MR. ESTEY: May 21st, 1960, I believe.

3 THE WITNESS: The order was dated
4 April 21st, 1960, and cancelled as of May 21st,
5 1960.

6 MR. ESTEY: Q. The memorandum to Mr.
7 Common, I think in that memorandum, to shorten
8 this up, that you recommended cancellation,
9 is that correct?

10 A. Yes, especially in view --
11 You see, there had been two convictions.

12 " I am of the view that in
13 "view of these two convictions,
14 "especially the first conviction
15 "of illegally selling lottery
16 "tickets, the charter should be
17 "cancelled. However, I would
18 "appreciate it if you would look
19 "over the evidence and I would
20 "be pleased to confer with you."

21 Q. Why did you send a memorandum to
22 the Deputy Attorney-General, Mr. Gudney?

23 A. Well, there had been the letter
24 from Magistrate Bigelow in respect to the one
25 conviction on the technical grounds.

26 Q. That is the letter of February
27 8th?

28 A. Yes.

29 Q. Does your memorandum relate to it?
30



Q. April 1950, 1950.

MR. GURNEY: May 1950, 1950, I believe.

Q. Yes, 1950, 1950.

April 1950, 1950, and cancelled as of May 1950.

MR. GURNEY: Q. The memorandum to Mr.

Common, I think in that memorandum, to show

that that was recommended cancelled.

Is that correct?

A. Yes, cancelled in view of

the fact that the memorandum was cancelled.

I am of the view that in

view of the fact that the memorandum

was cancelled, the memorandum was cancelled.

Is that correct?

"Because, the character should be

cancelled. However, I would

recommend it as a matter of

"over the evidence and I would

"be pleased to confer with you."

Q. Why did you send memorandum to

the Deputy Attorney-General, Mr. Gurney?

A. Well, there had been the letter

from Magistrate Higgins in respect to the one

conviction on the technical grounds.

Q. That is the letter of February

1950.

A. Yes.

Q. Does your memorandum relate to the



1 THE COMMISSIONER: What difference?
2 That is why he sent it to Mr. Common.

3 MR. ESTEY: I do not think the memorandum
4 refers to that fact, if my notes are correct.

5 THE WITNESS: Yes, it does.

6 MR. ESTEY: Q. I am sorry, I stand
7 corrected. You do not generally refer these
8 cancellations to the Attorney-General's
9 Department, do you?

10 A. Well, our practice is to refer,
11 has been as was laid down at a meeting in
12 January, 1960, to take it up, if there has
13 been, if the grounds of cancellation are
14 suspicion of illegal gaming, just on suspicion
15 of illegal gaming.

16 Q. Then you refer it to the Attorney-
17 General for what, for recommendation?

18 A. For a recommendation, yes.

19 THE COMMISSIONER: For recommendation
20 or an opinion?

21 A. Well, opinion. Yes, an opinion
22 would be more ---

23 MR. ESTEY: Q. The difference might
24 be of some importance.

25 THE COMMISSIONER: Sure, sure it is.
26 That is why he wrote it.

27 MR. ESTEY: Q. Are you sure that is
28 what it is now?

29 A. I think it would be more -- it
30



THE COMMISSIONER: What difference?

THE COMMISSIONER: I do not think the memorandum

refers to that fact, if my notes are correct.

THE WITNESS: Yes, it does.

MR. BERRY: O. I am sorry, I stand

corrected. You do not generally refer these

communications to the Attorney-General's

Department, do you?

A. Well, our practice is to refer,

has been as has laid down at a meeting in

January, 1900, to take it up, if there has

been, in the course of conversation and

suspicion of illegal gaming, just an suspicion

of illegal gaming.

Q. Then you refer it to the Attorney-

General for his opinion?

A. For a recommendation, yes.

THE COMMISSIONER: And then you refer it

on an opinion?

A. Well, usually, yes, to the

would be more --

MR. BERRY: O. The difference might

be of some importance.

THE COMMISSIONER: Yes, and it is.

That is why he wrote it.

MR. BERRY: O. And you were that is

what it is now?

A. I think it would be more -- it



1 would be an opinion as to whether or not
2 the charter should be cancelled on the evidence
3 taken in respect to the alleged illegal
4 activities. It may be gaming or betting.

5 Q. Let us take a case in point.
6 What did Mr. Common say in reply to your
7 memorandum here?

8 A. Dated April 5th, 1960:

9 " With reference to your letter
10 "of March 6th, I have had Mr. Frank
11 "Wilson, a solicitor in this Depart-
12 "ment, brief the evidence for me.
13 "In view of the fact that Joseph
14 "Tripodi, the president of the club,
15 "was convicted of two offences under
16 "the Criminal Code in 1959, I think
17 "that the cancellation of the charter
18 "of this club would be justified.
19 "I am not unmindful, I am sure,
20 "however, of the tenor of the
21 "Gordon Report regarding the
22 "advisability of appeals from decisions
23 "of this character.

24 " I return the evidence as
25 "requested.

26 "W.B. Common"

27 THE COMMISSIONER: That is an opinion.

28 MR. ESTEY: Q. Yes, the word

29 "recommendation" does not appear there, does it?
30



would be an opinion as to whether or not

the character should be cancelled on the evidence

taken in respect to the alleged illegal

activities. It may be genuine or not.

Q. Let us take a case in point.

What did Mr. Common say in reply to your

question?

A. I said that I had

With reference to your letter

"of March 1939, I have not yet

"Wilson, a solicitor in this depart-

"ment, with the evidence for me.

"In view of the fact that Joseph

"Triboda, the president of the club,

"was convicted of two offences under

"the Criminal Code in 1939, I think

"that the cancellation of the character

"of this club would be justified.

"I am not unkind, I am sure,

"however, of the tenor of the

"Gordon Report regarding the

"advantage of agents from decisions

"of this character.

"I repeat the evidence is

"incomplete.

"W.B. Common."

"The Commission: This is an opinion.

"Mr. Justice: Yes, the law

"The Commission: This is an opinion.



1 A. No. He says, "I think the
2 cancellation would be justified".

3 Q. Now, do I understand you correctly,
4 do you send all these proposed cancellations
5 where they are based on suspected gambling,
6 to the A.G.'s Department?

7 A. Well, actually this policy of
8 referring applications on suspected gambling
9 was laid down in January ---

10 Q. 1960?

11 A. 1960, and the cases we have,
12 the Centre Road was the first that was referred,
13 in that it involved suspicion of illegal
14 gaming, of course, and that was referred, and
15 also the Central Recreation Club.

16 Q. Yes?

17 A. That was referred, where there was
18 suspicion of illegal betting. The other one
19 has been the Acme Card and Social. That
20 was not referred, that was cancelled.

21 Q. Those are the examples that
22 come to mind at the moment anyway?

23 A. Yes. There was another one
24 where there were other things tied in with
25 it though. It was partly illegal gambling.
26 That was not referred either. This is all
27 subsequent to January, 1960, but there were
28 other things tied in as well. I think that
29 was the precedent.
30



A. No. He says, "I think the

cancellation would be justified."

Q. Now, do I understand you correctly,

do you send all these proposed cancellations

where they are based on suspected gambling,

to the A.G.'s Department?

A. Well, actually this policy of

refusing applications on account of

the fact that it is

Q. 1950?

A. 1950, and the cases we have,

the Centre Road was the first that was referred,

in that it involved suspicion of illegal

gambling, of course, and that was referred, and

also the Central Recreation Club.

Q. Yes?

A. That was referred, where there was

suspicion of illegal betting. The other one

has been the Acme Card and Social. That

was not referred, that was cancelled.

Q. Those are the examples that

come to mind at the moment anyway?

A. Yes. There was another one

which I think was referred in 1950.

It was partly illegal gambling.

That was not referred either. This is all

subsequent to January, 1950, but there were

other things cited in as well. I think that

can be



E/2

1 Q. Before we leave the club, I have
2 one question not related to this matter. On
3 Friday we discussed the function of the
4 affidavit of bona fides and the requirement
5 under Section 6 of the Act, that the Provincial
6 Secretary satisfy himself before issuing
7 letters patent of the bona fides of the
8 application. I ask you, in the light of
9 the facts here, and perhaps I should bring
10 it back to your mind - on February 18th, 1949
11 you received an application with an affidavit
12 sworn by one of these three people, Slater,
13 Sloteroff and Tetteff, and you received a
14 report from Inspector Albert Lee in which he
15 says - in fact, he says these applicants are
16 not bona fide, and my question is: Did you
17 then or as a matter of policy do you now, have
18 any investigation made or charges laid where
19 that happens?
20

21 A. The affidavit where he says the
22 application is bona fide, no, we didn't.

23 Q. It says:

24 "To the best of my knowledge and
25 "belief, true in substance and
26 "in fact, no public or private
27 "interest would be prejudicially
28 "affected by the incorporation
29 "as aforesaid."

30 What is your policy, have you done it since?



Q. Before we leave the club, I have
one question not related to this matter. On
[illegible]
affidavit of bona fides and the requirement
under Section 6 of the Act, that the Provisional
Secretary certify himself before issuing
letters patent of the bona fides of the
applicant. I ask you, in the light of
the facts here, and perhaps I should bring
it back to your mind - on February 10th, 1909
you received an application with an affidavit
sworn by one of these three people, Slater,
Stetson and Tetoff, and you received a
[illegible]
says - in fact, he says these applicants are
not bona fide, and my question is: Did you
then or as a matter of policy do you now, have
[illegible]
that happened?

A. The affidavit where he says the
application is bona fide, no, we didn't.

Q. It says:
"To the best of my knowledge
"believed, true in substance and
"in fact, no public or private
"interest would be prejudicially
"affected by the incorporation
"as aforesaid."

What is your policy, have you done it since?

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1 A. No, we have not.

2 Q. Next would you put before Mr.
3 Cudney two files, please - Toronto Chinese
4 Anti-Communist Club and the Toronto Chinese
5 Athletic Club, each of which has a "C" file
6 and an "O" file.

7 THE COMMISSIONER: Toronto Chinese
8 Anti-Communist Club and the second is what?

9 MR. ESTEY: Is the Toronto Chinese
10 Athletic Club.

11 THE COMMISSIONER: Where will I find
12 these?

13 MR. ESTEY: Appendix 'H', 18 and 19.

14 Q. There is some difficulty in the
15 cross-referencing in your files, and I am not
16 quite sure we have the correct ones before
17 Mr. Cudney. The Toronto Anti-Communist Club
18 file is C-68749 and the Athletic Club is
19 C-68750, correct?

20 A. Yes.

21 Q. Now, Mr. Cudney, I think this is
22 the easiest way to do it, if we for the moment
23 concentrate on the Anti-Communist Club and
24 come back and catch up the differences between
25 the two by reviewing the Athletic Club. I
26 think this application came in in February,
27 1953 and you issued letters patent in April,
28 1953?

29 A. Yes, the letters patent are dated
30

Anti-Communist Club and the Toronto Chinese
Athletic Club, each of which has a "C" file

There is some similarity in the
MR. TERRY: Appendix 'H', 18 and 19.



1 April 23rd, 1953, the application received
2 February 25th, 1953.

3 Q. Now, in order to summarize these
4 documents, I think this is the usual 10-cent
5 an hour clause, the bars and bolts clause,
6 and you limit the operations to 100 Elizabeth
7 Street in Toronto, correct?

8 A. 100 Elizabeth Street, Toronto,
9 limitation of premises, and it has the usual
10 bars and bolts clause and the usual prohibition
11 of 10 cents an hour clause.

12 Q. Right. So that we have those
13 three elements of your current policy present
14 in this charter?

15 A. Yes.

16 Q. Now, in support of this or before
17 you issued the letters patent, I believe you
18 received the usual police reports and I think
19 you also received a letter of recommendation
20 from J.H. Rooney, M.P., Toronto-St. Paul's,
21 dated 11th March, 1953, is that correct?

22 A. Yes, a letter from Mr. Rooney
23 dated March 11th, 1953.

24 Q. And the essence of the letter,
25 I take it, is fairly stated in the last:
26 "I will be very pleased to see them successful
27 in their present -- "

28 A. Yes, it is a letter of
29 recommendation for the applicant.
30

April 23rd, 1953, the application received

March 11th, 1953.

Q. Now, in order to summarize these

documents, I think this is the usual 10-cent

an hour clause, the data and police clause,

and you limit the operations to 100 Milwaukee

Street in Toronto, correct?

A. 100 Milwaukee Street, Toronto.

Limitation of premises, and it has the usual

data and police clause and the usual prohibition

of 10 cents an hour clause.

Q. Right. So that we have those

three elements of your current policy present

in this charter?

A. Yes.

Q. Now, in support of this or before

you issued the letters patent, I believe you

received the usual police reports and I think

you also received a letter of recommendation

from Mr. [redacted],

dated 11th March, 1953, is that correct?

A. Yes, a letter from Mr. Rooney

dated March 11th, 1953.

Q. And the essence of the letter,

I take it, is fairly stated in the last:

"I will be very pleased to see them successful

in their present -- "

A. Yes, it is a letter of

recommendation for the applicant.



1 Q. Let us take the Provincial Police
2 first, I think that is the correct order.
3 What did they say? I think there is a covering
4 letter dated 19th March, 1953.

5 A. Yes, a letter from the Provincial
6 Police, covering letter, enclosing a report
7 of Sergeant Von Zuben, and the Provincial
8 Police are opposed to the report.

9 THE COMMISSIONER: It is set out on
10 page 18 of Appendix 'H'. It would save some
11 time.

12 MR. ESTEY: Part of it is, my lord, yes.
13 The covering letter I do not think ~~xxx~~ is. The
14 effect of it is that he says: "I hesitate
15 to recommend this application".

16 Q. That is the upshot, is it not?

17 A. Yes, he says,

18 " In view of the conflicting
19 "information obtained, the character -- "

20 THE COMMISSIONER: I want to save time,
21 and I asked if the O.P.P. report was correctly
22 set out on page 18 of Appendix 'H'. Mr.
23 Gudney started to read it and it is exactly
24 as it appears on page 18.

25 MR. ESTEY: Yes, that is correct, my lord,
26 that is the actual report. The covering
27 letter I would have thought the question could
28 be answered yes or no. The covering letter,
29 my lord, says he hesitates to recommend the
30



Q. Did we take the Provincial Police

first, I think that is the correct order.

What did they say? I think there is a covering

letter dated 19th March, 1955.

A. Yes, a letter from the Provincial

Police, covering the report of Sergeant Von Euben, and the Provincial

Police are opposed to the report.

THE COMMISSIONER: It is set out on

page 18 of Appendix 'H'. It would save some

time.

MR. MURPHY: Part of it is, my lord, yes.

The covering letter I do not think it is. The

effect of it is that he says: "I hesitate

to recommend this application."

Q. That is the question, is it not?

A. Yes, he says,

"In view of the conflicting

"information obtained, the character --"

THE COMMISSIONER: I want to save time,

and I asked if the C.P.F. report was correctly

set out on page 18 of Appendix 'H'. Mr.

Ordway started to read it and it is exactly

as it appears on page 18.

MR. MURPHY: Yes, that is correct, my lord,

that is the actual report. The covering

letter I would have thought the question could

be answered yes or no. The covering letter,

the covering letter, the covering letter,



1 application.

2 Q. Is that right?

3 A. "I would hesitate to recommend
4 the application" from Deputy Commissioner Moss.
5 And, my lord, the last paragraph of the report
6 is set out correctly in the brief or in the
7 appendix.

8 MR. ESTEY: Q. Now, the city police,
9 26th March, 1953, you sent it to them, and in
10 that connection you might look at your letter.
11 You say: "I refer to previous correspondence".
12 There does not seem to be any in your file
13 but it may refer to the way that you sent
14 the Athletic Club request over earlier, is
15 that correct?

16 A. You are referring to my letter
17 of what?

18 Q. 26th March, 1953.

19 A. 26th March, 1953.

20 THE COMMISSIONER: Do we need to go into
21 all the correspondence? Why don't you get
22 down to the final report? What did the
23 Metro police say?

24 MR. ESTEY: Well, so many times, if I
25 may -- I too am in a hurry to get to the end
26 of this file -- but so many times we find, as
27 a moment ago, we find a police report not on
28 file. This letter starts out to refer to
29 previous correspondence. It is not on the file.
30



application.

A. "I would hesitate to recommend the application" from Deputy Commissioner Hays.

And, my lord, the last paragraph of the report is not correct in the way it is written.

MR. HASTY: Now, the city police, both March, 1953, you sent it to them, and in that connection you might look at your letter.

There does not seem to be any in your file but it may refer to the way that you sent the Athletic Club request over earlier, in that context?

A. You are referring to my letter of what?

MR. HASTY: Yes.

MR. HASTY: Do we need to go into all the correspondence? Why don't you get down to the final report? What did the report say?

MR. HASTY: Well, so many times, if I may -- I too am in a hurry to get to the end of this file -- but so many times we find, at a moment ago, we find a police report not on file. This letter starts out to refer to previous correspondence. It is not on the file.



1 It may be unimportant, if you say so, Mr.
2 Cudney.

3 A. Suppose those applications, my
4 lord, came in at the same time, and often
5 there would be letters covering both. There
6 is a police report of April 11th, 1953, a
7 Metro police, City of Toronto police, is that
8 the one?

9 THE COMMISSIONER: That is what I am
10 looking at on page 18. If there is anything
11 earlier than that that is important, by all
12 means get it out, but to say I wrote and he
13 wrote and he replied ---

14 MR. ESTEY: That we can't tell. He
15 just says "I refer to previous correspondence"
16 and there is none on that file. Perhaps
17 the quick answer would be, and I can get it,
18 and we will get on, that that means the
19 Athletic Club correspondence?

20 A. Yes, there is a letter, March
21 11th, 1953, from one of our lawyers in the
22 Department to the Chief Constable re Toronto
23 Chinese Athletic. I do not appear----

24 E/
25 THE COMMISSIONER: Do not start reading
26 that if it is not going to help me. I will
27 get weary listening to it.

28 MR. ESTEY: This is the answer, isn't it?

29 THE COMMISSIONER: Droning out those
30 letters that really do not throw any light



It may be important, if you say so, Mr.

A. Suppose these applications, my

lord, came in at the same time, and often

there would be letters covering both. There

is a police report of April 11th, 1953, a

letter from the Chief of Police, and

the chief

THE COMMISSIONER: That is what I am

looking at on page 18. Is there anything

earlier than that that is important, by all

means get it out, but to say I wrote and he

means get it out.

MR. GURNEY: That we can't tell. He

just says "I refer to previous correspondence"

and there is none on that file. Perhaps

the clerk answer would be, and I can get it,

and we will get on, that that means the

letter is not there.

A. Yes, there is a letter, March

11th, 1953, from one of our lawyers in the

Department to the Chief Constable re Toronto

Chief Constable.

THE COMMISSIONER: Do not state reading

that it is not going to help me. I will

get nearly listening to it.

MR. GURNEY: This is the letter, March 11th

THE COMMISSIONER: Picking out those

letters that really do not throw any light



1 on it.

2 MR. ESTEY: Q. Then what did the police
3 say?

4 A. April 11th.

5 Q. Page 18 says they objected on the
6 ground that there were six clubs on the street
7 and they felt if it was granted that it
8 eventually would end up another gambling
9 establishment. That is what the report
10 says, I take it?

11 A. Yes, there are six, that is
12 correct, the report ends.

13 Q. In the course of that report
14 Inspector Davies says this, doesn't he:

15 "I have no hesitation in objecting
16 "to the granting of letters patent
17 "in this instance."

18 This one case, Mr. Commissioner, if I
19 may I would like to deal with the actual
20 report very briefly.

21 A. Inspector R.F. Davies, No. 1
22 Division, you are reading from his report?

23 Q. Yes, he said:

24 "I have no hesitation in objecting
25 "to the granting of letters patent
26 "in this instance."

27 I believe it is in the early part of the
28 report. I will deal with this because it
29 shows the police attitude, if you can find
30



Q. 10

MR. KELLY: Q. Then what did the police

say?

A. April 15th.

Q. Page 18 says they objected on the

ground that there were six clubs on the street

and they felt it was crowded that it

eventually would end up another gambling

establishment. That is what the report

says, is that?

A. Yes, there are six, that is

correct, the report says.

A. In the course of that report

it says that the police said, "there are

"I have no hesitation in objecting

"to the granting of letters patent

"in this instance."

Q. Now, Mr. Kelly, is it

may I would like to deal with the actual

report very briefly.

A. Yes, Mr. Kelly.

Division, you are reading from his report?

Q. Yes, he said:

"I have no hesitation in objecting

"to the granting of letters patent

"in this instance."

I believe it is in the early part of the

report. I will deal with this because it

shows the police attitude, if you can find



1 the context. This plus what follows shows the
2 police attitude to these ⁱⁿ⁻corporations, and he
3 concludes by saying:

4 "It makes it imperative that the police
5 "veto any application for a charter."

6 Do you see either of those?

7 A. You are reading now the police
8 report?

9 Q. I am reading Inspector Davies'
10 report.

11 A. Yes, of April 14th, 1953.

12 Q. Right.

13 THE COMMISSIONER: April 14th? I thought
14 it was April 11th.

15 A. The report I have here, my lord,
16 is dated April 11th.

17 Q. That is what I thought.

18 MR. ESTEY: Q. I have a copy of a letter,
19 Walker to Chisholm.

20 A. There is a report.

21 Q. And there is a quotation of a
22 report from R.F. Davies, Inspector, and Mr.
23 Davies said:

24 "I have no hesitation in objecting
25 "to the granting of letters patent
26 "in this instance."

27 And he goes on to say why, and then he comes
28 up with what seems to be a rather strong
29 statement:
30



the context. This gives what follows shows the
 police attitude to these corporations, and he
 concludes by saying:

"It makes it imperative that the police
 'veto any application for a charter,'"

do you see either of those?

A. You are reading now the police

Q. I am reading Inspector Davies'

A. Yes, of April 1933, 1933.

THE COMMISSIONER: April 1933? I thought

it was April 1933.

A. The report I have here, my lord,

is dated April 1933.

Q. That is what I thought.

MR. BARRY: Q. I have a copy of a letter,

written to Ontario.

A. There is a report.

Q. And there is a quotation of a

report from R. P. Davies, Inspector, and Mr.

Barry said:

"I have no hesitation in objecting

to the granting of a charter to

"in this instance."

And he goes on to say why, and then he comes

up with what seems to be a rather strong

recommen-



1 "It makes it imperative that the police
2 "veto any application for a charter."

3 A. Now, there are two reports from
4 the police.

5 Q. That is right.

6 A. One is dated -- from the Metro
7 Police -- one is dated April 14th and that
8 is attached to the file of the Toronto
9 Chinese Anti-Communist Club.

10 Q. Yes?

11 A. And then there is a report from
12 the Toronto Police dated April 11th, 1953.

13 THE COMMISSIONER: That is the same
14 date as the one you have just referred to?

15 A. Yes. It is attached to the
16 file of the Toronto Chinese Athletic Club,
17 but the report of the club that is being
18 dealt with, the Anti-Communist Club, is the
19 report of April 14th, 1953, and Inspector
20 Davies' report is set out there at quite
21 length. It is included in Inspector
22 Walker's report.

23 MR. ESTEY: Q. That is right.

24 A. And you are reading right from
25 the end, Mr. Estey, of Davies' report, the
26 quotation of Davies' report?

27 THE COMMISSIONER: Excuse me again for
28 interrupting. The report dated April 11th,
29 1953, is that from Inspector Davies?
30



"It is known is imperative that the police

and the police are to be kept

A. Now, there are two reports from the police.

Q. That is right.

A. One is dated -- from the Toronto

Police -- one is dated April 14th and 1937

is attached to the file of the Toronto

Chinese Anti-Communist Club.

Q. Yes?

A. And then there is a report from

the Toronto Police dated April 14th, 1937.

THE COMMISSIONER: That is the same

as the one you have just referred to?

A. Yes. It is attached to the

file of the Toronto Chinese Athletic Club,

but the report of the club that is being

dealt with, the Anti-Communist Club, in the

report of April 14th, 1937, and Inspector

Davies' report is not one there at all.

Inspector. It is included in Inspector

Davies' report.

Q. Now, what is it?

A. And you are really right from

the end, Mr. Casey, of Davies' report, the

statement of Davies' report.

THE COMMISSIONER: Please me again for

investigating. The report dated April 14th,

1937, is that from Inspector Davies?



1 A. It is a report from -- it includes
2 a report of Inspector Davies. It is Inspector
3 Walker's report, but he sets out a report
4 from Inspector Davies.

5 Q. Just a moment. April 11th, 1953,
6 Metro Police per Inspector Walker, including
7 Inspector Davies' report which he quotes:

8 "I have no hesitation in recommending
9 "against a charter" --
10 whatever the language was. So much for that.
11 Then a report of April 14th, 1953, and whose
12 report is that?

13 A. That is the report of Inspector
14 Walker, my lord, in which he sets out a
15 report of Inspector R.F. Davies.

16 Q. This is what he did on April 11th?

17 A. Yes, but he was writing -- there
18 was two applications. He was writing -- the
19 one of the 11th is with regard to one
20 application, and the one of the 14th is with
21 regard to the other application.

22 Q. Well, the April 14th, was that
23 in connection with the Athletic Club?

24 A. The one of the 14th is the Anti-
25 Communist Club.

26 Q. The one of April 11th is what?

27 A. Is the Athletic Club.

28 Q. I see.

29 MR. ESTEY: Q. Of course, there is no
30



A. It is a report from -- it includes

a report of Inspector Davies. It is Inspector

Walker's report, but he sets out a report

from Inspector Davies.

Q. And a report, dated 11th, 1953,

which refers to Inspector Davies, Inspector

Inspector Davies, report which is dated

"I have no hesitation in recommending

"against a charter" --

whatever the language was. So much for that.

Then a report of April 14th, 1953, and whose

report is that

A. That is the report of Inspector

Walker, my lord, in which he sets out a

report of Inspector Davies.

Q. This is what he did on April 14th

A. Yes, but he was writing -- there

was two applications. He was writing -- the

one of the 14th is with regard to one

application, and the one of the 14th is with

regard to the other application.

Q. Well, on April 14th, was there

an application with the Athletic Club?

A. The one of the 14th is the Athletic

Club's application.

Q. The one of April 14th is what?

A. Is the Athletic Club.

Q. I see.

MR. JUSTICE: Q. Of course, there is no



1 doubt from the language Inspector Davies opposed
2 it, but he makes the comment in there which I
3 would like to have your comments on, in the
4 course of Inspector Davies' report he says:

5 "This club does not need a charter
6 "but could operate very well on the
7 "public hall licence and without a
8 "charter would never fall into the
9 "clutches of gamblers."

10 Do you see that?

11 A. Are you reading from the 14th?

12 Q. I wonder if we could clear that up
13 over the lunch hour.

14 THE COMMISSIONER: Why not go over and
15 look over Mr. Cudney's shoulder and maybe you
16 can help. You know what you are looking for.

17 Now, have you found it?

18 A. Yes, I have.

19 Q. What date does it bear?

20 A. April 14th, 1953, my lord.

21 Q. Is Inspector Walker's report with
22 respect to the Anti-Communist Club?

23 A. In regard to the Anti-Communist
24 Club.

25 Q. In which he includes or quotes
26 from Davies' report?

27 A. Yes, he sets out verbatim a report
28 from Davies.

29 Q. All right, what is the verbatim
30



it, but he makes the statement in there which I
 would like to have your comments on, in the
 course of his report; report the report
 "but could operate very well on the
 "public health license and without a
 "character would never fall into the
 "category of criminals."

Q. Now, I wonder if we could clear that up
 over the lunch hour.

A. I wonder if we could clear that up
 over the lunch hour.

Q. Now, have you found it?

A. Yes, I have.

Q. The report to the Anti-Communist

A. In which he mentions on October

from David, report?

A. Yes, he has out yesterday a report

A. All right, what is the version



1 report of Davies, that is what Mr. Estey was
2 asking you about.

3 A. Well, would you like me to read
4 the whole report or just the paragraph he
5 pointed to?

6 MR. ESTEY: Q. Just read the paragraph.

7 A. Davies says:

8 "A charter is not necessary
9 "for the club of this type of function.
10 "A public hall licence would cover
11 "their needs and at the same time
12 "would prevent the club under charter
13 "from deteriorating into a gambling
14 "club, as would happen in spite of
15 "the sincerity of their counsel
16 "and sponsors of the charter."

17 Q. Then immediately prior to that
18 are the words I quoted earlier. He strongly
19 objects to the issuance of the letters
20 patent, is that correct?

21 A. Yes, he says:

22 "It is not stated how the club
23 "contemplates raising money, and
24 "under the circumstances I could
25 "only view the application with
26 "suspicion, and strongly object
27 "to the issuance of letters
28 "patent."

29 THE COMMISSIONER: Are you nearly through
30



report of Davison, that is what Mr. Davison was

...the whole report or just the paragraph in

the whole report or just the paragraph in

the whole report or just the paragraph in

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1 with this Chinese Communist Club? If not we will
2 rise now.

3 MR. ESTEY: I think perhaps we had better
4 rise.

5
6 ---Whereupon the hearing adjourned at 1.00 p.m.
7 until 2.15 p.m.

8
9
10
11
12 (Page 12872 follows)



with this Chinese Committee. I think we will

Mr. BRYAN: I think perhaps we had better

case.

---whereupon the hearing adjourned at 1:00 p.m.
until 2:15 p.m.

(page 18872 follows)



AA/1/RC

1 ---Upon resuming at 2:18 o'clock p.m.

2 ---Witness resumes the stand.

3
4 MR. ESTEY: Q. Just after we left off,
5 after the examination of the Toronto Chinese
6 Club, we went through two rather long clubs,
7 and I do not think we need to dwell on these
8 clubs. The essence of this was that they
9 were well-known gambling clubs and well
10 established clubs?

11 A. Well, I don't know.

12 THE COMMISSIONER: No, I thought there
13 was a suggestion they would eventually become
14 gambling establishments.

15 THE WITNESS: Yes, there was the
16 suggestion that they would eventually become
17 gambling establishments.

18 MR. ESTEY: All right.

19 Q. At the present time it was outfitted
20 with gambling paraphernalia. I think it says
21 that this is it, in essence, but in order
22 to get on, let's assume I am wrong.

23 You were strongly opposed, however,
24 and what did you do in the way of recommendations?

25 A. I discussed it with my Minister,
26 and it was decided to establish the letters
27 patent on both clubs, and I wrote to the
28 Toronto Chief of Police.

29 Q. Yes, on the 24th of April, 1953,
30



...testimony at 2:18 o'clock p.m.

Mr. BARRY: Q. Just after we left out, after the examination of the Toronto Chinese Club, we went to the Chinese Club, and I do not think we need to dwell upon that. The essence of this was that they were well-known gambling clubs and well-known.

A. Well, I don't know.

Q. Now, I think there was a suggestion they would eventually become gambling clubs.

THE WITNESS: Yes, there was.

suggestion that they would eventually become gambling clubs.

Mr. BARRY: All right.

Q. At the present time it was outlined with gambling paraphernalia. I think it says that this is it, in essence, but in order to get on, let's assume I am wrong. You were strongly opposed, however,

and what did you do in the way of recommendations?

A. I discussed it with my Minister, and it was decided to establish the letters patent on both clubs, and I wrote to the Toronto Chief of Police.

Q. Yes, on the 24th of April, 1925.



1 I think, if my notes are correct; you advised
2 the Chief that, "We do not feel that we
3 can discriminate against any particular race
4 and in the absence of any further evidence as
5 to why the application should not be granted,
6 we have decided to issue letters patent herein."

7 A. That is correct.

8 Q. That is the issue. Well, then,
9 the next item which I am interested in in
10 the file, knowing that they filed the returns
11 and ~~xxxx~~ on -- if you would turn to your
12 'O' file, still on the Anti-Communist Club,
13 I believe you would find a report in the
14 form of a letter from Chief Mackey dated
15 May 7th, 1959.

16 A. That is correct.

17 Q. And the covering letter by Mr.
18 Mackey says what, Mr. Gudney?

19 A. "Attached for your con-
20 sideration is copy of a report
21 "which has been submitted to me
22 "by Staff Inspector Johnston of
23 "our No.1 Division, regarding the
24 "activities of the above-mentioned
25 "social club.

26 "I concur in the report and
27 "recommendation of Staff Inspector
28 "Johnston that the Charter be
29 "cancelled.
30



I think, if my notes are correct; you advised

the Chief that, "We do not feel that we

can discriminate against any particular race

and in the absence of any further evidence as

to why the application should not be granted,

we have decided to issue letters patent hereby."

A. That is correct.

Q. That is the same, Well, then,

the next item which I am interested in is

the file, knowing that they filed the return

and came on -- is you would turn to your

101 file, still on the Anti-Communist Club,

I believe you would find a report in the

form of a letter from Chief Mackey dated

May 20, 1952.

A. That is correct.

Q. And the covering letter by Mr.

James M. Smith, Mr. Mackey

A. Attached to the report

"abandonment is copy of a report

"which has been submitted to me

"by Staff Inspector Johnston of

"our No. 1 Division, regarding the

"activity of the Anti-Communist Club,

"social club,

"I found in the report and

"recommendation of Staff Inspector

"Johnston that the Chapter be

"discontinued."



1 " Would you kindly advise me
2 "by letter of your decision in
3 "this regard."

4 Q. And, then, the attached report
5 is by . . . ?

6 A. Staff Inspector Johnston, No.1
7 Division.

8 Q. Johnston. And, how does he
9 close his report?

10 A. He said:

11 " Notwithstanding the case against
12 "Mr. Lem Sing, President and other
13 "members of the Club being dismissed,
14 "the installation of gaming equipment
15 "on the Club premises is forbidden
16 "by the last paragraph of the Club
17 "Charter and the equipment found
18 "therein was considered Gaming Equipment
19 "by His Worship."

20 There had been a charge, and the charge
21 had been dismissed.

22 Q. Yes, as a matter of fact, Johnston,
23 Staff Inspector Johnston, deals with these
24 dismissal in the previous paragraph, does he
25 not, saying -- That the money lost would be
26 repaid to the members the following day, providing
27 there had been no violation of the gambling code.
28 Isn't that correct?

29 A. Inspector Johnston's report, yes,
30



"Would you kindly advise me

"by letter of your decision in

"this regard."

"Yes, sir, the report says

is by . . . ?

A. Staff Inspector Johnston, No. 1

has been

dismissed. The report is

alone this report?

A. He said:

"Notwithstanding the case against

"Mr. Ben Stine, President and other

"members of the Club being dismissed,

"the investigation of gaming equipment

"on the Club premises is forbidden

"the last paragraph of the Club

"constitution and the evidence that

"there was no gaming equipment

"by his Honorable."

There had been a charge, and the charge

had been dismissed.

Q. Yes, as a matter of fact, Johnston,

Staff Inspector Johnston, deals with these

dismissals in the previous paragraph, does he

not, saying -- That the money lost would be

repared to the members the following day, providing

there had been no violation of the gambling code.

That is correct.

A. Inspector Johnston's report, yes,



1
2 it says:

3 "The money seen collected by the
4 "police and given to the President
5 "was returned to the players the
6 "following day or any moneys collected
7 "from the players was returned to
8 "them. Since the Police were unable
9 "to prove a rakeoff, the case was
10 "dismissed."

11 Q. Well, now, what did you do with
12 that recommendation for cancellation?

13 A. Well, I ---

14 Q. There is a memo to you from Mr.
15 Margolian?

16 A. Yes, there is a memo to me from
17 Mr. Margolian; I apparently referred it to
18 Mr. Margolian, and there is a memo to him
19 dated May 12th.

20 Q. Right.

21 A. Should I read it?

22 Q. Please.

23 A. He says -- It would appear to
24 be re Chinese Athletic.

25 Q. There was one of each?

26 A. There was one of each, yes, and
27 there was the recommendation that both had
28 gambling paraphernalia, and the charters were
29 suspended or cancelled of each of these clubs.
30 However, as pointed out in my letter to Mr.



it says:

"The money seen collected by the
 "police and given to the President
 "was returned to the players the
 "following day or any money collected
 "from the players was returned to
 "them. When the players were asked
 "to prove a receipt, the case was
 "dismissed."

Q. Well, now, what did you do with

that money?

A. Well, I --

Q. There is a memo to you from Mr.

Margolian?

A. Yes, there is a memo to me from

Mr. Margolian; I apparently referred it to

Mr. Margolian, and there is a memo to him

dated May 12th.

Q. Right.

A. Should I read it?

Q. Yes.

A. He says -- It would appear to

be re Chinese Athletic.

Q. There was one of each?

A. There was one of each, yes, and

there was the recommendation that both had

gambling paraphernalia, and the characters were

suspended or cancelled of each of these clubs.

However, as pointed out in my letter to Mr.



1 Horkins of September 22, 1955, I advised him
2 to take out subsequent letters patent changing
3 the address of the premises, and I received
4 a request from Mr. Horkins on November 28th,
5 1955, but it was not in order, and he was sent
6 an extract from the Regulations dealing with
7 such an application at that time. Incorporation
8 was granted originally in April 23, 1953,
9 even though the O.P.P. were hesitant to
10 recommend, and the Morality Division also were
11 opposed --

12
13 "In view of Mr. Horkins' present
14 "enquiry consideration might be
15 "given to re-referring the matter
16 "to the Provincial Police and
17 "Metropolitan Police in the light
18 "of your experience with this
19 "club since its formation."

20 THE COMMISSIONER: Q. That is from you
21 to Margolian, or from Margolian to you?

22 A. That is from Margolian to me,
23 my lord.

24 MR. ESTEY: Q. Is there a slightly
25 different memorandum in connection with the
26 Anti-Communist Club?

27 A. Yes, I am sorry, yes, there is
28 a memorandum from Mr. Margolian to me re the
29 above returns of 1958. This club was incorporated
30 April 28th, 1953, and operated at 100 Elizabeth



Horkins of September 22, 1955, I advised him to take out subsequent letters patent changing the address of the premises, and I received a request from Mr. Horkins on November 22, 1955, but it was not in order, and he was sent an extract from the Regulations dealing with such an application at that time. Incorporation was granted originally in April 22, 1953, even though the O.P. were hesitant to recommend, and the Morality Division also were opposed --

"In view of Mr. Horkins' present position, it is recommended that the matter be given to re-orienting the matter to the Provincial Police and Metropolitan Police in the light of your experience with this club since its formation."

THE COMMISSIONER: Q. That is from you to Margolian, or from Margolian to you?
A. That is from Margolian to me, my Lord.

MR. BARRY: Q. Is there a slightly different memorandum in connection with the club since its formation?
A. Yes, I am sorry, yes, there is

a memorandum from Mr. Margolian to me re the above returns of 1955. This club was incorporated April 22, 1953, and operated at 100 Elizabeth



1 Street, Toronto. The Toronto City Police
2 passed the letters patent, as also did the
3 O.P.P. However, they were recommended by
4 certain members, particularly, and incorporation
5 was granted. It would therefore appear that
6 there is no application for a revival, and
7 that the corporation is in good standing so far
8 as the Department is concerned. In view of
9 this, consideration might be given to a
10 reference to the police with respect to their
11 experience with this corporation ---
12

13 Q. There are a few questions arise
14 out of that: First of all, we have one letter
15 from the brief: Particularly, the memorandum
16 refers in the plural. Have you any knowledge
17 or recollection of any other letters from
18 the Department?

19 A. No, I have no further recollection
20 of any other than the -- the only one was
21 from Mr. Rooney.

22 Q. There was a reference in there
23 to something about action on the police report.
24 What action was taken?

25 A. I discussed with Dr. Phillips
26 what could be or should be done in respect of
27 the cancellation of this charter.

28 Q. And that is included in the
29 memorandum dated May 19th, 1959?

30 A. That is correct.



...the ...

pressed the letters patent, as also did the

O.P.P. However, they were recommended by

...and ...

...it was ...

there is no application for a revival, and

that the corporation is in good standing as far

as the ...

this, consideration might be given to a

reference to the police with respect to their

...with ...

Q. There are a few questions arise

out of that: First of all, we have one letter

from the patent: Particularly, the memorandum

refers in the plural. Have you any knowledge

or recollection of any other letters from

the Department?

A. No, I have no further recollection

of any other than the -- the only one was

from Mr. Rooney.

Q. There was a reference in there

to something about action on the police report.

...and ...

...I ...

what could be or should be done in respect of

the cancellation of this charter.

Q. And that is included in the

memorandum dated May 19th, 1932?

A. That is correct.



1 Q. There is nothing on file directly
2 from the Minister?

3 A. In regard to this, yes.

4 Q. No, about the question as to
5 why cancellation should not be proceeded with?

6 A. No, well, there are some
7 memoranda here; one from Dr. Phillips dated
8 May 11th, 1959. It has a bearing on that
9 question, Mr. Estey.

10 THE COMMISSIONER: Q. What is it, a
11 memo from Dr. Phillips to whom?

12 A. It is a memo from Dr. Phillips to
13 myself, my lord, dated May 11th, 1959.

14 Q. What does it say?

15 A. "There were two Charters
16 "issued by this Department for
17 "Chinese clubs in 1953, namely,
18 "Toronto Chinese Anti-Communist
19 "Club and Toronto Chinese Athletic
20 "Club. I understand that you have
21 "suspended or cancelled the charter
22 "of each of these Clubs.

23 " I visited the premises of
24 "these Clubs along with their solicitor,
25 "Mr. T.B. Horkins, Q.C., and found
26 "two or three rooms with only a
27 "few small tables with chairs, where
28 "no doubt some form of gambling was
29 "carried out, but Mr. Horkins said
30



"carried out, but Mr. Watkins said

"no doubt some form of handling was

"two or three rooms with only a

"Mr. T.B. Watkins, G.O., and found

"I visited the premises of

"of each of these clubs.

"suspended or cancelled the charter

"Club. I understand that you have

Club and several others at present

"Chinese clubs in 1952, namely,

"issued by this Department for

A. "There were two chapters

C. What does it say?

A. It is a memo from Dr. Phillips to

memo from Dr. Phillips to whom?

THE COMMISSIONER: Q. What is it, a

Nov 11th, 1952. It has a bearing on that

some

A. No, well, there are some

why cancellation should not be proceeded with?

A. I don't know whether it is

A. In regard to that, yes.

from the Minister

There is nothing in this matter



1 "that when the Police walked in
2 "there happened to be on one table
3 "change amounting to less than a
4 "dollar. I promised Mr. Horkins
5 "that I would get all the facts
6 "from you and if they were not of
7 "a serious nature, the charters
8 "should be reinstated immediately.

9 " Kindly take into consideration
10 "that our laws are not well written,
11 "in that if Police Officers walk
12 "into a place where they know full
13 "well that gambling is going on but
14 "there is no money visible, they walk
15 "out again, but, if there is even
16 "a five-cent piece on the table, they
17 "may issue a charge, and you and I
18 "know very well that there isn't
19 "a back room in any Chinese place
20 "of business or club where they do
21 "not carry on some gambling game.

22 " I am most anxious to have
23 "these two clubs reinstated within
24 "a week."

25
26 MR. ESTELL Q. So, they have not been
27 suspended as it turned out?

28 A. No, that was made before I
29 received the police report.

30 Q. I see.



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"that when the Police walked in
 "there happened to be on one table
 "change amounting to less than a
 "that I would get all the time
 "from you and if they were not of
 "a serious nature, the character
 "should be reinstated immediately.
 "Kindly take into consideration
 "that our laws are not well written,
 "in that the Police officers walk
 "into a place where they know full
 "well that gambling is going on but
 "there is no money visible, they walk
 "out again, but, if there is even
 "a five-cent piece on the table, they
 "may issue a charge, and you and I
 "know very well that there isn't
 "a back room in any Chinese place
 "of business or club where they do
 "not carry on some gambling game.
 "I am most anxious to have
 "these two clubs reinstated within
 "a week."
 "MR. HENRY G. SOF they have not been

suspended as it turned out?
 A. No, that was made before I
 received the police report.
 G. I see.



1 A. It was dated May 11th.

2 Q. About the same time?

3 A. The police report was received
4 the next day.

5 Q. This is dated May 11th?

6 A. And received May 12th.

7 Q. I see. Well, then, do you remember
8 whether you in fact discussed the police report
9 with the Provincial Secretary?

10 A. Yes, I recall that I did discuss
11 this matter with Dr. Phillips when he wrote
12 me. There is a further memorandum from him
13 on May 12th, 1959 in which he again asks
14 that -- he states:

15 "I could not reach you tonight and

16 "I have assured Mr. T.B. Horkins,

17 "Q.C., who fought the case in court,

18 "that since the Magistrate dismissed

19 "the case and made no charges that

20 "these clubs would be reinstated.

21 kindly

22 "Would you carry out this

23 "procedure?"

24 Well, I remember discussing it with Dr.
25 Phillips when, in the first place, the charters
26 had not been cancelled. He seemed to be
27 of the view that they had to be reinstated.
28 I also, at the same time, brought to his
29 attention the police report which was sent
30 at the same time or a day after I received his



A. I was there on May 11th.

Q. About the same time?

A. The police report was received

the next day.

Q. What is dated May 11th?

A. The report was dated May 11th.

Q. I was there, well, about the same time?

Whether you in fact discussed the police report

and the physical evidence?

A. Yes, I recall that I did discuss

this matter with Dr. Phillips when he wrote

me. There is a letter somewhere from him

on May 12th, 1959 in which he again said

that -- he stated:

"I could not reach you tonight and

"I have assumed Mr. T.B. Hopkins,

"D.O., who fought the case in court,

"and since the evidence is slight

"the case and made no charges that

"these clubs would be reinstated.

That is all I recall.

Well, I remember discussing it with Dr.

Phillips when, in the first place, the charges

had not been cancelled. He seemed to be

of the view that they had to be reinstated.

I also, at the same time, brought to him

attention the police report which was sent

at the same time on a day after I received his



1 memorandum in regard to the cancellation of
2 the charter.

3 Q. Now, also, on those files I
4 notice that there is an undated memorandum
5 by yourself saying:

6 "Dr. Phillips telephoned me this
7 "morning and directed that the
8 "clause respecting the jurisdiction
9 "on gambling paraphernalia in the
10 "Charters of the two above clubs
11 "be deleted without application
12 "being made therefor."

13 Do you see that?

14 A. Well, the memorandum is dated
15 June 4th, 1959.

16 Q. Have I read it correctly?

17 A. Yes.

18 Q. Then, it seems out of sequence
19 on the file. I see you wrote a memorandum
20 to Dr. Phillips on May 22nd, 1959, on the
21 subject of deleting this necessity in
22 application for a charter. This seems out of
23 order.

24 A. Yes, it is, here,

25 Q. It is from you to the Minister?

26 A. Yes, he had requested previous
27 to that that the Anti -- the gambling
28 paraphernalia prohibition be deleted, and I
29 pointed out that it went in all club charters
30



memorandum in regard to the cancellation of

the same.

Q. Now, also, on those files I

notice that there is an undated memorandum

by yourself saying:

"Mr. Phillips advised me that

"on gambling personnel in the

"of the connecting the jurisdiction

"on gambling personnel in the

"be deleted without application

"being made thereon."

Q. Now, what

A. Well, the memorandum is dated

June 1st, 1959.

Q. Now, I read in your report

A. Yes.

Q. Then, it seems out of sequence

on the file. I see you wrote a memorandum

to Mr. Phillips on May 22nd, 1959, on the

subject of deleting this necessity in

application for a charter. This seems out of

order.

A. Yes, it is.

Q. It is from you to the Minister?

A. Yes, he had requested previous

to that that the Anti -- the gambling

personnel's prohibition be deleted, and I

pointed out that it went in all club charters



1 since 1950. He seemed confused, as I
2 remember, that it only went in certain charters,
3 like Chinese clubs, and I wished to point
4 out that it went in all club charters. This
5 is the memorandum that I haven't read.

6 Q. How do you conclude the second
7 memorandum; you conclude: "This was not a
8 special clause"?

9 A. Yes, "This was not a special
10 clause". I reviewed the history of this
11 particular clause.

12 Q. Perhaps you better read that
13 particular memorandum.

14 A. Yes, the memo from me to Dr.
15 Phillips dated May 22nd, 1959:
16 Chinese
17 "Re: Toronto Anti-Communist Club (and)
18 Toronto Chinese Athletic Club.

19 " I refer to your memorandum
20 "of May 20th advising that The
21 "Honourable Prime Minister advises
22 "that there be deleted from Charters
23 "dealing with the Chinese clubs the
24 "clause to the effect that there be
25 "no gambling paraphernalia on the
26 "premises.

27 " Ten years ago the Mayor of
28 "Toronto, the Police Commission, a
29 "number of members of the City Council
30 "and the Chief of Police attended on

U.S. DEPARTMENT OF JUSTICE

These authors also found that the use of a single, non-validated questionnaire to assess the prevalence of depression in the community was not sufficient to detect the true prevalence of depression.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

1. *Journal of the American Statistical Association*, 71 (1976), 101-111.

How do you feel about it?

„Това не е истината“: изследване на

"Special Climate"

Integrate a ton and a half, say .A

Not to be published without authority: I . . .

9010

...and the ...

0201 4092 ym1 bat46 bat11 [MCT

Chinese

Very truly yours,
 J. Edgar Hoover

4. $\frac{1}{2} \pi$ is a solution of $\tan x = 1$.

I refer to your memorandum

"of May 20th stating that the

"Honorable Eric Foner advised

"that there be deleted from Chapter 1

"cause to the effect that there be

"no suitable representative on the

"Ten years ago the Mayor of

"number of members of the City Council."



1 "the Prime Minister in respect to
2 "the issuance of club charters.
3 "At that time it was adopted as
4 "Departmental policy that the
5 "following clause should be
6 "included in the Letters Patent
7 "of all clubs, namely: . . ."

8 And then I set out the bars and bolts clause,
9 including the paraphernalia clause that was
10 added at that time.

11 "Accordingly, this clause has
12 "been included in the Charter
13 "of each club that has issued
14 "in the last ten years and it
15 "appears in the Charters of the
16 "two Chinese clubs in question.
17 "In other words, it was not a
18 "special clause imposed on these
19 "two particular clubs but is a
20 "clause that is common to all
21 "club Charters.

22 " Further, this clause is now
23 "required under The Regulations
24 "passed under The Corporations Act,
25 "1953, to be included in all club
26 "Charters. Therefore, in order to
27 "delete the clause in question, it
28 "would be first necessary to amend
29 "our Regulations to delete from
30



"the Prime Minister in respect to

"the issuance of club charters.

"At that time it was adopted as

"Departmental policy that the

"following clause should be

"included in the Letters Patent

"of all clubs, namely: . . ."

And then I set out the bars and bolts clause,

inserted in the Letters Patent

added at that time.

"Accordingly, this clause has

"been included in the Charter

"of each club that has issued

"in the last ten years and it

"appears in the Charters of the

"two Chinese clubs in question.

"In other words, it was not a

"special clause imposed on these

"two particular clubs but is a

"clause that is common to all

"club charters.

"Further, this clause is now

"repealed under The Regulations

"passed under The Corporation Act,

"1953, to be included in all club

"charters. Therefore, in order to

"delete the clause in question, it

"would be first necessary to amend

"our Regulations to delete from



1
2 "the above clause that it is an
3 "offence to keep gambling para-
4 "phernalia, to which end I have
5 "drafted a Regulation which I
6 "am attaching hereto. When this
7 "Regulation is passed, the two
8 "clubs in question would then be
9 "in a position to make application
10 "for Supplementary Letters Patent
11 "to delete the gambling para-
12 "phernalia clause."

13 I did discuss it with him, pointing
14 out that if he wanted this clause taken out
15 that we would have to amend the whole Regulation,
16 but that it was common to all clubs, and had
17 been in as a matter of policy, in all clubs,
18 since 1950, and had been put in every club
19 charter since.

20 THE COMMISSIONER: Q. Yes?

21 A. And he seemed to be confused
22 about this, as I say.

23 MR. ESTEY: Q. Regulation 61, to
24 which you are referring there was not amended,
25 was it?

26 A. No, no, it was not.

27 THE COMMISSIONER: 61?

28 MR. ESTEY: 61.

29 THE WITNESS: That is the one, yes,
30 dealing with the bars and bolts and gambling



"I am sure that it is not

"reference to keep gambling par-

"sonnel, as such, and I say

"I am sure that it is not

"the situation here, and I say

"Regulation is passed, the two

"clubs in question would then be

"in a position to make application

"for a license to operate in the

"city of New York, and I say

"phenomenal change."

I did discuss it with him, pointing

out that if he wanted this change taken out

that we would have to amend the whole Regulation,

and that it was common to all clubs, and had

been in as a matter of policy, in all clubs,

since 1920, and had been put in every club

since then.

THE CHAIRMAN: All right.

A. And he seemed to be confused

about this, as I say.

MR. KERRY: O. Regulation 61, to

which you are referring there was not amended,

was it?

A. No, no, it was not.

THE CHAIRMAN: All right.

MR. KERRY: 61.

THE CHAIRMAN: That is all, yes.

Dealing with the date and policy and gambling



1 paraphernalia, yes.

2 MR. ESTEY: Q. Yes, well, then, the
3 memorandum you have read refers to a memorandum
4 of May 20th; I don't have that in my file;
5 that is a memorandum to the Minister. You
6 cut it short. Would you read that?

7 A. May 20th? Dr. Phillips to
8 myself re charters for Chinese clubs:

9 " I was talking to the
10 "Honourable Prime Minister late
11 "last night and he advised me to
12 "delete on the Chinese Charters
13 "that there be no gambling
14 "paraphernalia on the premises."

15 I think that came about, my lord, the
16 Gordon Report in their -- the Gordon Committee
17 in their report had dealt with arbitrary
18 matters. Sometimes they were imposed by
19 boards and commissions and departments. I
20 think that was what he had in mind at the
21 time, but when it was pointed out, it was
22 common to all gambling clubs and it was put in
23 as a matter of practice, it was -- the
24 decision was not to amend the Regulation.

25 I had drafted -- I had talked with
26 Dr. Phillips when he wished to have it taken
27 out. After explaining to him the background
28 from the time it was first discussed to delete
29 it, apparently; I don't know what happened
30



paraphernalia, yes.

MR. BATHY: O. Yes, well, then, the

paraphernalia was used to make the

at the time I don't have any more of it

and it is a very common thing to see

and it is a very common thing to see

A. May I say, Mr. Phillips, do

you think it is a very common thing

to see a man with a

paraphernalia in his hand?

"Last night and he asked me to

bring him the paraphernalia

"that there be no gambling

"paraphernalia on the premises."

I think that came about, my lord, the

Gordon Report in their -- the Gordon Committee

in their report had dealt with arbitrary

measures. Sometimes they were imposed by

measures and sometimes they were imposed

think that was what he had in mind at the

time, but when it was pointed out, it was

common to all gambling clubs and it was put in

as a matter of practice, it was -- the

decision was not to amend the Regulation.

I had drafted -- I had talked with

Mr. Phillips when he wished to have it taken

up. After the decision was made, the

from the time it was first discussed to delete

it, especially I don't know what



1 from then on, but I gather that had been
2 the thinking; there had been certain arbitrary
3 rules that had been recommended against by
4 the Gordon Committee, and I wished to point
5 out the history and the background, but I
6 don't know what happened, but the result was
7 as it
8 to leave it, was, not to amend the Regulation.

9 THE COMMISSIONER: Q. Do I understand
10 correctly that despite the Regulation 61
11 this particular clause was deleted from
12 these charters?

13 A. Yes, yes.

14 MR. ESTEY: Q. And the last memorandum
15 on that point is June 4th, 1959, isn't it,
16 where you wrote ---

17 A. June 4th, 1959, my memorandum
18 from the file.

19 Q. Would you read that, please?

20 A. My memorandum to Dr. Phillips
21 re these two Chinese clubs:

22 " Dr. Phillips telephoned me

23 "this morning and directed that the

24 "clause respecting the jurisdiction

25 "on gambling paraphernalia in the

26 "Charters of the two above clubs

27 "be deleted without application being

28 "made therefor."

29 And, I went to explain to Dr. Phillips,

30 but he said to issue the supplementary, and



From then on, but I gather that had been

the language that had been recommended against by

rules that had been recommended against by

the Gordon Committee, and I wished to point

out the history and the background, but I

don't know what happened, but the result was

as it

to leave it, not to amend the Regulation.

THE COMMISSIONER: O. No I understand

correctly that despite the Regulation 21

these changes have been made?

A. Yes, yes.

MR. NEWBY: O. And the last memorandum

on that point is June 4th, 1959, isn't it,

where you wrote ---

A. June 4th, 1959, my memorandum

from the file.

O. Would you read that, please?

A. My memorandum to Mr. Phillips

on June 4th, 1959.

"On June 4th, 1959, I telephoned Mr.

Phillips and directed that the

"clause respecting the jurisdiction

"on gambling paraphernalia in the

"Chapter of the two above cited

"be deleted without application being

"made."

and, I am sure, Mr. Phillips,

but he said to leave the supplementary, and



1 the supplementary were issued.

2 MR. ESTEY: Q. I just didn't hear that.

3 A. I went to explain to Dr. Phillips,
4 but he said to issue the supplementary, and
5 the supplementary were issued, referring to
6 my previous memo that it was in the Regulations,
7 but he directed that I issue it, so the
8 supplementary letters patent were issued.

9 Q. And you did so?

10 A. Yes. As I say, I think he
11 still had some confusion that it only applied
12 to individual clubs.

13 Q. And, it is obvious from what
14 you say, that there was nothing on the file
15 that the members of the club asked you to do
16 this?

17 A. No, there is nothing on file
18 here, Mr. Estey, that says that the members
19 of the club requested it.

20 THE COMMISSIONER: Q. I wonder if anybody
21 else asked for it?

22 A. That anybody asked for it, my lord,
23 apart from the club or the solicitors asked
24 for it?

25 Q. No one from the club asked for
26 it?

27 A. No.

28 MR. ESTEY: Q. The only evidence you have
29 on your file is in a memo from the Provincial
30

[illegible]



1 Secretary; is that right?

2 A. Yes.

3 THE COMMISSIONER: Q. What is this
4 Gordon Report you keep talking about?

5 A. Well, I think there was a
6 reference in the Gordon Report ---

7 Q. What is the Gordon Report?

8 A. It is a committee appointed by
9 Order-in-Council. Mr. Walter Gordon was the
10 chairman and Mr. Magone and the President
11 of Queen's University were on the Commission.
12 It was a Commission appointed to look into
13 boards and commissions, and there was a
14 suggestion made in the Report there may be
15 certain arbitrary rules of boards and commissions
16 that seemed to be foremost at that time.
17 As I recall, it seemed to me that was what
18 prompted the thought at that time to delete
19 this clause.

20 Q. This Commission had been set
21 up by whom?

22 A. The Ontario Government.

23 Q. The Provincial Government?

24 A. Yes.

25 Q. Consisting of whom, Mr. Gordon
26 and the President of Queen's?

27 A. Yes, Dr. MacIntosh and Mr. Magone,
28 who was Deputy Attorney-General.

29 Q. It was set up to consider what?
30



...in the ...

A. ...

...the ...

...the ...

A. Well, I think there was a

...in the ...

...the ...

A. It is a committee appointed by

Order-in-Council. Mr. Weir Gordon was the

chairman and Mr. Macdonald and the President

of Queen's University were on the Commission.

It was a Commission appointed to look into

boards and commissions, and there was a

suggestion made in the Report there may be

...the ...

that seemed to be foremost at that time.

As I recall, it seemed to me that was what

prompted the thought at that time to delete

this clause.

Q. This Commission had been set

up by ...

A. The Ontario Government.

Q. The Provincial Government?

A. Yes.

...the ...

and the President of Queen's?

A. Yes, Mr. Macdonald and Mr. Weir Gordon.

...the ...

Q. It was set up to consider what?



A. The terms of reference were largely boards and commissions.

Q. What about them?

A. The operation and -- It is not a matter I came into directly, myself, my lord, but it was to enquire whether boards and commissions should be expanded or limited through boards and also departments of governments. It also extended into work of departments of government, and there had been a suggestion that there had been certain arbitrary rules ---

Q. Of which this was one?

A. No, they do not refer to this; they did not refer to this at all, but maybe this was in the mind of the powers that be; I don't know. I didn't have anything to do with that.

Q. Had the Commission brought down
its report?

A. I believe they had, my lord, at that time -- I am not sure.

Q. Did it make some reference to this particular restrictive clause?

A. No, it didn't, my lord.

MR. ESTEY: Q. As a matter of fact,
it didn't even deal with Chartered Clubs,
did it?

A. No, I don't think it did.



A. The terms of reference were

largely boards and commissions.

Q. What about that?

A. The operation and -- it is not

a matter I came into directly, myself, my

lord, but it was to enquire whether boards

and commissions should be expanded or limited

through boards and also departments of

government. It also extended into work of

departments of government, and there had been

a suggestion that there had been

an inquiry into --

the matter was not

A. No, they do not refer to that;

they did not refer to this at all, but maybe

this was in the mind of the powers that be;

I don't know. I didn't have anything to do

with that.

Q. And the Commission's report was

its report?

A. I believe they had, my lord, at

that time -- I am not sure.

Q. Did it make some reference to

this particular restrictive clause?

A. No, it didn't, my lord.

MR. BARRY: Q. As a matter of fact,

it didn't even deal with restrictive clauses,

did it?

A. No, I don't think it did.



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A/4
MR. WILSON: There is a reference in
the brief on page 24 where apparently it was
examined.

5
6
7
MR. ESTEY: I didn't read that to
indicate that Section 23 was examined by
the Gordon Committee:

8
"This decision is without appeal".

9
10
11
THE COMMISSIONER: Q. How are the
Regulations promulgated, by an Order-in-
Council, or what?

12
13
14
15
16
MR. ESTEY: This particular one, for
example, was promulgated under an Order-
in-Council, and the Regulations Act in 1956,
and it is given an index number 2956 by
order of the Lieutenant-Governor in Council.

17
18
19
20
THE COMMISSIONER: That particular
Regulation, notwithstanding the reference
to its slant or otherwise of ~~the~~ the Gordon
Commission was never repealed?

21
MR. ESTEY: No, that is right.

22
23
24
25
THE COMMISSIONER: But, in this
particular instance the restrictive clause
with respect to gaming equipment was deleted
by the issue of supplementary letters patent?

26
MR. ESTEY: Correct.

27
28
THE COMMISSIONER: Q. Was it deleted
in any other cases?

29
A. No, just in these two, my lord.

30
Q. Just in these two?



MR. WINSTON: There is a reference in

the brief on page 24 where apparently it was

omitted.

MR. WINSTON: I think that was the

indicate that Section 23 was examined by

the Federal Bureau of Investigation.

"This decision is without appeal."

THE COMMISSIONER: Q. Now are the

Regulations promulgated, by an Order-in-

Council, or what?

MR. WINSTON: They are promulgated by the

Commission, and promulgated under an Order-

in-Council, and the Regulations are in 1935.

and it is given an index number 2955 by

the Federal Bureau of Investigation in Council.

THE COMMISSIONER: That particular

Regulation, notwithstanding the reference

to the intent or otherwise of the Gordon

Commission was never repealed?

MR. WINSTON: No, that is right.

THE COMMISSIONER: Now, in this

particular instance the restrictive clause

with respect to gaming equipment was deleted

on the basis of expert testimony given by

MR. WINSTON: Correct.

THE COMMISSIONER: Q. Was it deleted

in any other cases?

A. No, just in these two, my lord.

Q. Just in these two?



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A. Just in these two.

Q. Why were these two singled out?

A. Well, I can't say, my lord, I had instructions to delete them. That is the only two where it has been ---

Q. And that Regulation is still in effect?

A. Yes, oh, yes.

Q. Are these two charters still in existence?

A. Yes, they have not been ---

Q. They have never been cancelled?

A. No, no.

Q. Well, then, is my understanding correct that all of the social club charters issued since Regulation 61 was first enacted -- these are the only two clubs that are free from that Regulation?

A. Unless there was something that was inadvertently left out, my lord, but to the best of my knowledge, these are the only two.

THE COMMISSIONER: All right.

MR. ESTEY: Q. Mr. Cudney, in the operations of your Department, do you issue supplementary letters patent ordinarily except on application by the club or corporation involved?

A. No, no, not ordinarily. We have



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A. That in these two, ...
Q. ...
A. Well, I can't say, my lord, I ...
had instructions to delete them. That is ...
Q. And that Regulation is still in ...
Q. Are these two characters still ...
A. Yes, they have not been ---
Q. They have never been cancelled?
A. No, no.
Q. Well, then, is my understanding ...
correct that all of the racial class characters ...
issued since Regulation 61 was first enacted --
these are the only two alphas that are free ...
A. Unless there was something that ...
was inadvertently left out, my lord, but to ...
the best of my knowledge, these are the only ...
MR. LATTY: Q. Mr. Cudney, in the ...
operations of your Department, do you have ...
on application by the club or corporation ...
involved?
A. No, no, not ordinarily. We have



1 the power to issue without having representation,
2 but very rarely do we. In the odd case we
3 do.

4 Q. In the odd case, for example,
5 when you compulsorily change the corporation's
6 or club's name?

7 A. Yes, when we compulsorily
8 change the club's name.

9 Q. And have you had occasion to do
10 this, let's say, since 1950 -- has your
11 Department ever issued supplementary letters
12 patent without application?

13 A. No, not unless we make an error,
14 if a capital is wrong, then we will issue
15 without application.

16 Q. That is, a clerical error?

17 A. Yes, a clerical error.

18 Q. Now, if we can turn -- I want
19 to touch very briefly --

20 A. There was one that was not a
21 social club -- pardon me -- there was a
22 hospital we issued some years ago. We issued
23 supplementary without application.

24 Q. All right, that is some years
25 ago, and it is not a social club?

26 A. No.



ago, and it is not a social club?

Q. All right, that is some years

ago, and it is not a social club. We formed

social club -- pardon me -- there was a

A. There was one that was not a

to touch very briefly --

Q. Now, if we can turn -- I want

A. Yes, a clerical error.

Q. That is, a clerical error?

if a capital is wrong, then we will issue

A. No, not unless we make an error,

which is not a clerical error.

There is one clerical error in the

thing, let's say, since 1950 -- has your

Q. And have you had occasion to do

any of these things?

A. Yes, when we comparatively

are doing them.

Now, you are comparing the two things?

Q. In the odd case, for example,

do.

and you would say, "It is not a clerical error."

and you would say, "It is not a clerical error."



BB/JBMCG/11

Q. Now, coming to the Bathurst-Sheppard Social and Athletic Club. This is contained in brief 67 at page 26.

MR. WILSON: It is in "K" as well at page 9.

MR. ESTEY: Q. Now, I think we can deal with this one rather briefly. Would you scrutinize the file and make sure my facts are correct. These letters patent were issued in 1959?

A. November 20th, 1959.

Q. And there was an objection from the Ontario Provincial Police?

A. Yes.

Q. And then there follows a police report in 1961, November, 1961?

A. By the way, I just may say this, the Provincial Police objected. I think Constable Lawrence didn't contemplate any illegal or professional gambling but he thought they were not too much interested in athletics and he had an objection to this.

Q. I take it you recommended to the Minister the charter be issued and it was issued?

A. I took this report up to the Minister. I can't say whether I recommended that one or not. It was left with the Minister for a decision.

THE COMMISSIONER: Q. Well, it would



Q. Now, coming to the Bachman-Schepard
Social and Athletic Club. This is contained
in brief 67 of page 26.

A. WILSON: It is in "K" as well as page 9.
Q. Now, I think we can deal

with this one rather briefly. Would you
re-examine the file and make sure my facts
are correct. These letters patent were
issued in 1929?

A. November 20th, 1929.

Q. And there was an objection from
the Ontario Provincial Police?

A. Yes.

Q. And that letter follows a police
report in 1931, November, 1931?

A. By the way, I just may say this,
the Provincial Police objected. I think
possibly because of the connection with
illegal or professional gambling but he
thought they were not too much interested
in Schickel and he had an objection to this.

Q. I take it you recommended to
the Minister the charter be issued and it
was issued?

A. I took this report up to the
Minister. I can't say whether I recommended
one or not. It was left with the
Minister for a decision.

Q. Well, it could



1 appear that neither the Metro nor the Provincial
2 Police had no unalterable objection provided
3 they did not immediately avail themselves
4 of Section 168 of the Criminal Code?

5 A. That was the condition and the
6 O.P.P. said it wasn't likely their intention
7 was to organize a gambling operation, but
8 because they had heretofore shown a lack of
9 interest in athletics, they were an
10 unorganized club, and their interest in
11 gambling prompted the O.P.P. to recommend
12 against it, notwithstanding they were all
13 of good character and responsible persons.

14 THE COMMISSIONER: Not a very forthright
15 objection.

16 MR. ESTEY: No, my lord, they seemed to
17 change their minds half way through.

18 Q. Now, you received an adverse
19 report in November, 1961, from the Metropolitan
20 Police recommending cancellation of the
21 charter?

22 A. November 20th, 1961.

23 MR. WILSON: That is a complaint, not
24 a report.

25 MR. ESTEY: Q. And then you went
26 through the procedure of cancelling it?

27 A. Yes, I sent out a cancellation
28 letter and a hearing was held and the
29 charter was cancelled.
30



appear that neither the Metro nor the Provincial

Police had no alterable objection provided

they did not immediately avail themselves

of Section 103 of the Criminal Code?

A. That was the condition and the

W.V.P. said it would likely have been

was to organize a gambling operation, but

because they had heretofore shown a lack of

interest in activities, they were an

unorganized club, and their interest in

activities was not very great.

against it, notwithstanding they were all

of good character and responsible persons.

THE COMMISSIONER: Not a very forthright

objection.

MR. JUSTICE: No, my lord, they seemed to

change their minds half way through.

Q. Now, you received an adverse

report on the W.V.P. from the Provincial

Police Commission, is that correct?

Answer:

A. Yes, my lord.

MR. JUSTICE: That is a complaint, not

a report.

MR. JUSTICE: And that was the

through the procedure of cancelling it?

A. Yes, I sent out a cancellation

letter and a hearing was held and the

W.V.P. was cancelled.



1 THE COMMISSIONER: That wasn't from the
2 O.P.P., it was from the Metropolitan Police?

3 A. That is right, sir.

4 MR. ESTEY: Q. And you cancelled it
5 about April 19th, 1962?

6 A. The order of cancellation was
7 dated April 10th, 1962.

8 THE COMMISSIONER: Q. For breaches of
9 the provisions of the letters patent?

10 A. Yes, for charging ten cents an hour,
11 my lord. There was considerable evidence I
12 took at the hearing in respect to that club
13 and there was also a suspicion of illegal
14 gaming. The evidence was quite conflicting
15 in respect to illegal gaming but it was
16 obvious they were charging ten cents an hour.

17 Q. And the charter was cancelled?

18 A. It was cancelled by an order
19 dated April 10th, 1962.

20 MR. ESTEY: Q. There was one item in
21 the police report I would like to ask you
22 about. It is in the second last paragraph;
23 do you see that?

24 A. Yes.

25 Q. In view of the foregoing it is
26 quite apparent that the application for the
27 Bathurst Social and Athletic Club, the
28 timing is more than a coincidence in view
29 of the fact the membership list is so similar?
30



Q. Now, this is the letter that you received?

A. Yes, it was from the Metropolitan Police?

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.

Q. And you cancelled it?

A. Yes, I cancelled it.



1 A. Yes.

2 Q. This is more suggestions of what
3 may be called the practice of deceit on the
4 part of the applicants to fool the Department
5 into issuing charters. Now, do you go
6 back when you get a warning such as this to
7 get the police to see if the applications
8 were bona fide or whether this was such
9 an application?

10 A. This report started the cancellation
11 proceedings.

12 Q. I know that.

13 A. If we had a report of that nature
14 the practice would be to go back. If it
15 appeared that certain people were appearing
16 as a front they go back. The applicants
17 are supposed to be people who are not
18 incorporators but who appear to be members.
19 If they appeared they were just a front,
20 perhaps no more than the solicitor and his
21 staff would be, that in my mind would be
22 sufficient to turn it down.

23 THE COMMISSIONER: Q. You didn't do
24 that in respect of the Spadina Social and
25 Card Club when it appeared that Slotteroff
26 was a front. You satisfied yourself on
27 that interview?

28 A. I don't remember the facts, my
29 lord. I recall some memorandum but in that
30



A. Yes.

Q. This is more suggestion of what

may be called the practice of deceit on the

part of the applicants to fool the Department

into issuing charters. Now, do you go

back when you get a warning such as this to

let the police to see if the applicants

were bona fide or whether there was such

an investigation?

A. This report started the investigation

immediately.

Q. I know that.

A. If we had a report of that nature

the practice would be to go back. If it

appeared that certain people were appearing

and that they were not

are supposed to be people who are not

known persons but who appear to be members.

If they appeared they were just a front,

perhaps no more than the solicitor and his

staff would be, that in my mind would be

the answer to that.

THE COMMISSIONER: Q. You didn't do

that in respect of the Spanish Social and

that also when it appeared that

was a front. You satisfied yourself on

that interview?

A. I don't remember the facts, my

lord. I would not remember the facts.



1 interview I can't say I positively satisfied
2 myself. I can't recall whether I did or
3 didn't. This is thirteen years ago.

4 MR. ESTEY: Q. I put the question to
5 you this way; this Bathurst-Sheppard Social
6 Club was one after you ^{had} ~~have~~ evolved the
7 fairly laboured mechanism and machinery
8 during the '40's and the '50's to stop the
9 abuse if you could of these charters?

10 A. Yes.

11 Q. This club seems to have filtered
12 through the screening you had set up. My
13 question is whether or not some one in this
14 category might be prosecuted and they might
15 think twice before doing this, and your
16 answer is you haven't prosecuted anybody
17 for trying this sort of thing?

18 A. No, that is true.

19 Q. Can we move on to a club that
20 I approach with some trepidation, that is
21 the Centre Road Veterans Association.

22 Now, this club has been well examined
23 from the viewpoint of the Attorney General's
24 Department and my intentions are not to
25 open up that ground, and if it seems so
26 you might check me, but what I am interested
27 in is the Provincial Secretary's side for the
28 moment anyway.

29 THE COMMISSIONER: Where do we find this
30



interview I can't say I positively ascertained

anything. I can't recall whether I did or

not.

MR. WATKINS: O. I put the question to

you that you had not seen the

club was one after you ~~xxxxx~~ ^{had} evolved the

initially laboured mechanism and machinery

during the '40's and the '50's to stop the

some if you could of these characters?

A. Yes.

Q. This club seems to have filtered

through the screening you had set up. My

question is whether or not some one in this

category might be prosecuted and they might

not.

answer as you haven't prosecuted anybody

for taking this sort of thing?

A. No, that is true.

Q. Can we move on to a club that

I approach with some predilection, that is

the Centre Road Veterans Association.

Now, this club has been well examined

from the viewpoint of the Attorney General's

Department and my intentions are not to

open up that ground, and it seems so

you might check me, but what I am interested

in is the Provincial Secretary's side for the

purpose.

THE COMMISSIONER: Where do we find this



1 in the brief?

2 MR. ESTEY: It is at page 61 and 62.

3 MR. WILSON: It starts at page 61.

4 It is in "K" as well on page 2.

5 THE COMMISSIONER: Are we waiting for
6 something?

7 MR. ESTEY: I was waiting for your lordship.

8 THE COMMISSIONER: Oh, no, no, go on.

9 MR. ESTEY: At the time this application
10 came into the Department, it would be the 28th
11 of June, 1957, ^{and} I take it from what you have
12 given before here, you were aware of the
13 fact there was some difficulty with the
14 Centre Road Veterans Association operation
15 and the difficulties were some form of
16 gambling?

17 A. Yes, that is true.

18 Q. You had been told by the Attorney
19 General or his Deputy that they had made
20 arrangements whereby the Federal franchises
21 were to be surrendered and Provincial
22 incorporations taken out to cover the
23 Centre Road operations?

24 A. The Attorney General telephoned
25 me and said the club's solicitor, the
26 solicitor for the three clubs ~~prepared~~
27 professed their good faith and on his
28 evidence of good faith Provincial charters
29 would be taken out. I don't know whether
30



in the brief?

MR. HENRY: It is on page 61 and 62.

MR. WILSON: It starts on page 61.

It is in "K" as well on page 6.

THE COMMISSIONER: Are we waiting for

MR. HENRY: I was waiting for your testimony.

THE COMMISSIONER: Oh, no, no, go on.

came into the Department, it would be the 28th

and of June, 1937. I take it from what you have

fact there was some difficulty with the

and the difficulties were some form of

A. Yes, that is true.

Q. You had been told by the Attorney

General or his Deputy that they had made

arrangements whereby the Federal franchisees

were to be surrendered and Provincial

incorporations taken out to cover the

Central Road operation?

A. The Attorney General telephoned

me and said the club's solicitor, the

solicitor for the three club companies

professed their good faith and on his

evidence of good faith Provincial charges

would be taken out. I don't know whether



1 he suggested it or whether Mr. Herman suggested
2 the Provincial charters. I was rather under
3 the impression that Mr. Roberts did.

4 Q. You weren't there?

5 A. No. In the course of the events
6 Mr. Roberts or I mentioned there should be
7 an undertaking the three Dominion charters
8 would be discontinued, otherwise there would
9 be six operations other than three. You
10 mentioned June 28th, and there is a letter
11 to me from Mr. Herman dated June 28th
12 confirming this. I have an idea it was
13 before the 28th.

14 Q. You knew arrangements had been
15 made on some one's initiative in the Attorney
16 General's Department for the cessation of
17 operations under the aegis under the Federal
18 charter and to be carried on under the
19 Provincial charter?

20 A. Yes.

21 Q. You received the application
22 from Mr. Herman?

23 A. Yes. Mr. Herman came in a day
24 or two after and filed an application for
25 the three. He didn't have the applications
26 and he didn't have the return I had
27 required some time previously from the
28 three Dominion charters. I told him I
29 would have to discuss the applications with
30



he suggested it or whether Mr. Herman suggested

the Provincial charter, I was rather under

the impression that, perhaps, it

was a matter of fact

A. No. In the course of the events

of which as I mentioned some things

in connection with the Provincial

charter, I mentioned, I think, some things

in six operations other than these. You

mentioned that, I think, in a letter

to me from Mr. Herman dated June 28th

concerning this. I have an idea it was

perhaps the same

Q. You knew arrangements had been

made on some one's initiative in the Attorney

General's Department for the cessation of

operations under the act in the Federal

charter and to be carried on under the

Provincial charter?

A. Yes.

Q. You received the application

from Mr. Herman?

A. Yes. Mr. Herman came in a day

or two after and filed an application for

the Provincial charter.

and he didn't have the return I had

received some time previously from the

three Dominion charters. I told him I

would have to discuss the applications with



1 my Minister because as I recall nothing had been
2 decided following my talk with Mr. Roberts and
3 I did indicate we would need the undertaking
4 of the three. In addition we required
5 special returns in May of the three Dominion
6 clubs, that is, the three that were operating.

7 Q. Before we get ahead of ourselves,
8 these applications came in, did you have any
9 letter and I see none on your file. Did
10 you have any letter or memorandum from
11 some one in the Attorney General's Department
12 concerning their desire to screen these
13 charters?

14 A. No.

15 Q. Did you have before you the
16 application for incorporation of the Centre
17 Road Veterans Association?

18 A. Yes.

19 Q. Can you tell me who completed
20 the affidavit of bona fides?

21 A. It was taken by Larkin Henry
22 Turner of the Town of Long Branch, merchant.

23 Q. It is in the statutory form?

24 A. Yes.

25 Q. Did you take any action under
26 Section 6 of your Act to establish the clubs
27 were required for a bona fide purpose?

28 A. No, we didn't. It wasn't an
29 unusual situation. These clubs were known,
30



my Minister because as I recall nothing had been

decided following my talk with Mr. Roberts and

I did indicate we would need the undertaking

of the three. In addition we required

special returns in May of the three companies

also, that is, the three that were operating.

Q. Before we get ahead of ourselves,

these applications came in, did you have any

letter and I see none on your file. Did

you have any letter or memorandum from

any one in the Attorney General's office

concerning these applications?

A. Yes.

Q. No. What was the substance of the

letter? Did you have before you the

application for incorporation of the Centre

for the purpose of

A. Yes.

Q. Can you tell me who completed

the affidavit of bona fides?

A. It was taken by Martin Henry

Turner of the Town of Long Branch, merchant.

Q. It is in the statutory form?

A. Yes.

Q. Did you see any other affidavits

Section 6 of your Act to establish the clubs

and request for a loan from the Government?

A. No, we didn't. It wasn't an

official application, there didn't seem to be



1 their history was well known, and it was well
2 known what had gone on there for years, and
3 it was decided the charter would be issued
4 to make a bad situation better.

5 Q. In the hope that by regular
6 Provincial administration the police could
7 handle anything that went wrong?

8 A. Yes, there was a way of cancelling
9 the charters whereas under the Federal Act
10 there was no way of cancelling them. The
11 Federal Government had only cancelled one
12 since Confederation.

13 Q. Before getting into the Federal
14 Companies Act we have a big enough field here.
15 Can you remember if you recommended it?

16 A. Yes, I saw merit in it. At
17 first blush it struck me odd to issue a
18 charter to three groups but the more I
19 thought it over I could see merit in issuing
20 three charters. It wasn't like issuing
21 charters to three groups who didn't have
22 charters and this was a way of getting them
23 to give up their Federal charters, as nothing
24 had been done for years, and getting them
25 under the Provincial legislation where there
26 were more regulations and there was a way
27 of dealing with cancellation.

28 THE COMMISSIONER: You didn't think
29 the leopard had changed his spots?
30



their history was well known, and it was well

known that the charter would be issued

it was decided the charter would be issued

to make a bad situation better.

Q. In the hope that by regular

provincial administration the police could

handle anything that went wrong?

A. Yes, there was a way of cancelling

the charters whereas under the Federal Act

there was no way of cancelling them. The

Federal Government had only cancelled one

since Confederation.

Q. Before getting into the Federal

Companies Act we have a big enough field here.

Can you remember if you recommended it?

A. Yes, I saw merit in it. As

first class it struck me odd to have a

charter to three groups but the more I

thought it over I could see merit in issuing

three charters. It wasn't like

charter to three groups who didn't have

charters and this was a way of getting them

to give up their Federal charters, as nothing

had been done for years, and getting them

under the provincial legislation where there

were more regulations and there was a way

of dealing with cancellation.

Q. The Commission for this

the board had changed his spot?



1 A. No, it was a matter of getting^{them} out
2 of existence. It ~~wasn't~~^{was} the thought ~~of~~ⁱⁿ my
3 mind.

4 Q. My understanding up to date is
5 that no one sincerely believed that conditions
6 would change out there.

7 A. I did not.

8 Q. You might have had the pious hope
9 they might change but nobody thought in fact
10 they would change?

11 A. I certainly didn't.

12 Q. And you did it to get them under
13 the jurisdiction of the Provincial charters?

14 A. Yes, that is true.

15 MR. ESTEY: Q. I would like to follow
16 through the Federal charter and the
17 difficulties in cancelling it. I believe
18 so long as they had a bona fide social club,
19 Section 168 allowed them to plead the
20 defence you have mentioned?

21 A. Yes.

22 Q. To your knowledge did the Centre
23 Road Club ever invoke the defence under
24 Section 168 of the Criminal Code?

25 A. I can't say. There would be
26 Federal charters for one thing.

27 Q. The answer is you don't know?
28 under

29 A. No, I don't think^{they} the Federal
30 charter ~~xxx~~ ever invoked the defence of



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A. No, it was a matter of getting them

of existence. It wasn't the thought ^{was} it

mind.

Q. Mr. understanding up to date is

that no one sincerely believed that conditions

would change out there.

A. I think so.

Q. You might have had the plain hope

they might change but nobody thought in 1932

that would happen.

A. I certainly didn't.

Q. And you did it to get them under

the jurisdiction of the Provincial character

A. Yes, that is true.

Q. I think it is true.

through the Federal charter and the

jurisdiction of the Provincial character.

as long as they had a bona fide social club,

Section 163 allowed them to place the

charter on the Provincial character.

A. Yes.

Q. To your knowledge did the Ontario

Good Club ever invoke the defence under

Section 163 of the Criminal Code?

A. I can't say. There would be

several questions for one thing.

Q. The answer is you don't know?

under

A. I don't know.

Q. Has anyone ever invoked the defence of



1 Section 168(2).

2 THE COMMISSIONER: That isn't what you
3 mean -- the Federal charter didn't invoke this.

4 MR. ESTEY: I will reverse it if your
5 lordship wishes.

6 Q. If no member of the Centre
7 Road Veterans Association Club invokes
8 Section 168 then I take it there was no
9 real advantage to creating a Provincial
10 incorporation there?

11 A. Oh, yes, because apart from
12 Section 168 there was "bars and bolts" clause.

13 THE COMMISSIONER: Never mind the
14 bars and bolts clause. Let us assume you
15 are right and that no member of the club
16 had in fact invoked Section 168 of the
17 Criminal Code, that is not the end of the
18 matter. What you were actually interested
19 in was whether they had the right to invoke
20 it.

21 MR. ESTEY: Yes, that is right, your
22 lordship.

23 THE COMMISSIONER: They may have had a
24 right without having exercised it.

25 MR. ESTEY: I am trying to pull one
26 brick out of the wall at a time and the
27 one brick I have hold of refers to the
28 will refer
29 exhibit which I ~~referred~~ to in argument rather
30 than discuss it with the witness, but if the



Section 108(1).

THE COMMISSIONER: That isn't what you

mean -- the 108(1) which says that if

MR. BARRY: I will answer in my own

words.

Q. If no member of the Centre

had voted in the election, would

Section 108 then I take it there was no

valid election in the sense of the

constitution?

A. Oh, yes, because apart from

Section 108 there was "bare and polite" clause,

THE COMMISSIONER: Never mind the

bare and polite clause. Let us assume you

are right and that no member of the club

had in fact invoked Section 108 of the

Criminal Code, that is not the end of the

matter. Now, what is the position

in respect of the right to invoke

it?

MR. BARRY: Yes, that is right, your

honorability.

THE COMMISSIONER: They may have had a

very slight right to invoke it.

MR. BARRY: I am trying to pull one

brick out of the wall at a time and the

one brick I have hold on refers to the

will refer

exhibit which I handed to the witness, that

can be seen to with the witness, but it is



1 club
2 /~~that~~ have not invoked this clause I was wondering
3 why the Provincial Secretary's administration
4 was so anxious to lend their support to this.

5 THE COMMISSIONER: The Attorney General's
6 Department were taking the position they had
7 a right to invoke it and would have no lesser
8 or greater right under the Provincial charter.

9 MR. ESTEY: They would have no right
10 under the Provincial charter.

11 THE COMMISSIONER: I am thinking first
12 of all of the Provincial charter without
13 any "bolts and bars" clause. Under the
14 Provincial charter the club would not be
15 in any better position than it was under
16 the Federal jurisdiction but under the
17 Provincial jurisdiction with the "bars and
18 bolts" clause, it was in a less advantageous
19 position.

20 MR. ESTEY: Yes, there is no question
21 about that. There would be considerably
22 less if it was under the Provincial charter.

23 THE COMMISSIONER: Yes.

24 MR. ESTEY: I am sure the witness will
25 agree that by issuing this charter, in the
26 face of Section 6 of the Act, the Provincial
27 Secretary was doing what Abraham Lincoln
28 said he was doing, ~~when~~ the right thing in
29 the wrong way. No one had ever charged
30 the club and the question had never been

BB/4



club
XXXX have not invoked this clause I was wondering

why the Provincial Secretary's administration

was so much in a hurry to get it done

the Provincial Secretary's administration

department were taking the position they had

a right to invoke it and would have no further

to discuss it with the Provincial Secretary

MR. BETHY: They would have no right

under the Provincial charter.

THE GOVERNMENT: I am assuming that

of all of the Provincial charter without

any "points and date" clause. Under the

Provincial charter the club would not be

in any better position than it was under

the Federal jurisdiction but under the

Provincial jurisdiction they have a right

"points" clause. It was in a less advantageous

position.

MR. BETHY: Yes, but it is not

about that. There would be considerably

more if it was under the Provincial charter.

THE GOVERNMENT: Yes.

MR. BETHY: I am assuming that

agree that by issuing this charter, in the

case of Section 6 of the Act, the Provincial

Secretary was doing what Abraham Lincoln

said he was doing, when the right thing in

the wrong way. Who one had ever changed

the club and the question had never been



1 raised whether Section 168 could be raised. It
2 was six years since the Lafrade case went to
3 the Court of Appeal and Section 168 was
4 not mentioned in it.

5 THE COMMISSIONER: I can suggest an answer
6 to you but I won't while the witness is on
7 the stand.

8 THE WITNESS: The fact they never raised
9 it in fact doesn't say they never would
10 invoke it.

11 MR. ESTEY: Q. You have no record
12 they ever did?

13 A. No.

14 Q. Now, it was obvious to you, and
15 you have been there since 1939, and you have
16 been Deputy Provincial Secretary since 1946,
17 so it was obvious this was not a bona fide
18 application for incorporation.

19 THE COMMISSIONER: You would agree with
20 that, surely?

21 A. Yes, certainly.

22 Q. Under the section it says the
23 applicant shall establish and shall furnish
24 such bona fides that the Provincial Secretary
25 thinks proper, and I take it you didn't
26 ask for anything other than the affidavit
27 of Lincoln Turner?

28 A. No.

29 Q. It is odd he should have the same
30



raised whether Section 108 could be raised. It

was six years since the balance case went to

the court and I am not sure that it

was mentioned in it.

THE COMMISSIONER: I can suggest an answer

to you but I won't write the witness as to

the answer.

THE WITNESS: The fact that I am not

it in fact doesn't say they never would

have it.

MR. BENTLEY: Q. You have no record

of this case?

A. No.

Q. Now, it was obvious to you, and

you have been there since 1933, and you have

seen every one of these people since then?

Q. It was obvious this was not a bona fide

application for incorporation.

THE COMMISSIONER: Now would you say

that, wouldn't?

A. Yes, certainly.

Q. Under the section it says the

applicant shall establish and shall furnish

such bona fides that the Provincial Secretary

deems proper, and I take it you didn't

ask for anything other than the affidavit?

A. Yes.

Q. It is odd he should have the same

Q. It is odd he should have the same



1 name as the gentleman in the thesis I have been
2 expounding.

3 Now, I am only going to conduct you
4 through the highlights of this, the highlight
5 dates. Your first adverse police report
6 came on October 28th, 1959?

7 A. Yes, it was October 29th.

8 Q. I think you wanted to hold a
9 hearing but the Minister decided not to hold
10 a hearing?

11 THE COMMISSIONER: What is that?

12 MR. ESTEY: Q. This is as a result of
13 the police report in 1959.

14 THE WITNESS: There were different
15 reports in 1959.

16 MR. ESTEY: Q. On the 28th of October,
17 1959?

18 A. Oh, yes, that was Chief McGill.
19 There was one on October 21st.

20 Q. There was one on September the
21 22nd, earlier than that again?

22 A. That was the one I got on October
23 21st, 1959.

24 MR. WILSON: It is Exhibit No. 41.

25 THE COMMISSIONER: As a result of this
26 report, this witness wanted to hold a hearing,
27 is that correct?

28 A. No.

29 THE COMMISSIONER: Just a moment, I haven't
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name as the gentleman in the chair I have been
expounding.

Now, I am only going to conduct you
through the highlights of this, the highlights
dates. Your first adverse police report

Q. I think you wanted to hold a
hearing but the Minister decided not to hold
a hearing?

THE COMMISSIONER: What is that?
MR. HASTY: Q. This is as a result of
the police report in 1959.
THE COMMISSIONER: There were others.

reports in 1959.
MR. HASTY: Q. On the 23rd of October,
1959?

There was one on September 23rd,
1959, earlier than that again?
A. That was the one I got on October
21st, 1959.

THE COMMISSIONER: As a result of this
report, this witness wanted to hold a hearing,
is that correct?

THE COMMISSIONER: Just a moment, I have to



1 found that.

2 MR. ESTEY: It is the third paragraph, my
3 lord; it is at the top of page 63.

4 THE WITNESS: Yes, that was November, and
5 at the same time I asked for a special report.

6 Q. Perhaps I should finish reading
7 this whole sentence.

8 "The Deputy Minister consulted the
9 "Minister . . . "

10 The simple question is, you didn't hold
11 a hearing and I take it from the fact you
12 didn't recommend it, somebody had a different
13 view?

14 A. In my memorandum to the Minister
15 I asked for a special hearing, and then I
16 consulted with the Minister and it was
17 decided to take the matter up with the
18 Attorney General's Department, and the
19 Minister wrote a memorandum to the Attorney
20 General and the meeting was held in January.

21 Q. About the 9th of November you
22 have a memorandum from Mr. Margolian to yourself
23 and he suggests an informal hearing to determine
24 whether the Minister's discretion should be
25 exercised?

26 A. Yes.

27 Q. Why did you not hold a hearing at
28 that time, formal or informal?

29 A. I wrote the Minister a day or so
30



Q. Now, it is the third paragraph, is
it; it is at the top of page 63.

A. At the same time I asked for a special report,
Q. Perhaps I should finish reading

this whole sentence.

Q. You said, "Minister's statement."

Q. "Minister's statement."

The simple question is, you didn't hold

a hearing and I take it from the fact you

didn't recommend it, somebody had a different

view.

A. In my memorandum to the Minister

I asked for a special hearing, and then I

consulted with the Minister and it was

decided to take the matter up with the

Minister's statement, and the

Minister wrote a memorandum to the Attorney

General and the meeting was held in January.

Q. About the 9th of November you

have a memorandum from Mr. Napolitano to yourself

and he suggests an informal hearing to determine

whether the Minister's discretion should be

exercised?

A. Yes.

Q. Why did you not hold a hearing at

that time, formal or informal?

A. I wrote the Minister a day or so



1 after and I suggested a hearing in that memo,
2 and at the same time, with his approval, I
3 required a special return to build up for a
4 hearing. A return came in and was received
5 around about December 1st and it was discussed
6 with the Minister and, as I recall the matter,
7 he wrote to the Attorney General to discuss
8 the matter of clubs generally and I remember
9 this was one that was discussed.

10 Q. When did you hold the hearing,
11 in fact?

12 A. February 11th was the first day.

13 Q. I put it to you again, on the
14 9th of November, a recommendation for a
15 hearing was made and you held it for six
16 months, and was there any reason for that
17 delay?

18 A. The first part for three months
19 was to get a report in, to get better evidence
20 for the hearing, and the Provincial Secretary
21 decided he would discuss club matters generally
22 with the Attorney General.

23 Q. That was a meeting of January, 1960?

24 A. Yes, and it was either decided
25 at that meeting or in a month, because on
26 January the 28th I signed the cancellation
27 letter of the club.

28 Q. And the cancellation was June, 1960?

29 A. June 3rd, 1960.
30



after and I suggested a hearing in that name,
and at the same time, with his approval, I
submitted a request for a hearing. A return came in and was received
around about December 1st and it was discussed
with the Minister and as I recall the Minister
he wrote to the Attorney General to discuss
the matter of clubs generally and I remember
this was one that was discussed.

Q. When did you hold the hearing?
A. In fact?
A. February 15th was the first day.
Q. I put it to you again, on the

26th of November, a recommendation for a
hearing was made and you held it for six
months, and was there any reason for that
delay?

A. The first part for three months
was to get a report in, to get better evidence
for the hearing, and the Provincial Secretary
decided he would discuss club matters generally

Q. That was a meeting of January, 1900?
A. Yes, and it was then decided

at that meeting or in a month, because on
January the 18th I signed the cancellation
letter of the club.

Q. And the cancellation was June, 1900?
A. June 2nd, 1900.



1 Q. That was on the basis of a
2 recommendation you made to the Minister on
3 April 19th?

4 A. Well, I wrote to Mr. Common on
5 April 13th, and to Dr. Phillips on April 19th,
6 and Dr. Phillips resigned on May 12th, and
7 the present Minister then became the Minister
8 and I wrote him a similar memorandum about
9 May 30th.

10
11 (Page 12912 follows)



BB/5

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Q. Now, was this club operating during this period since the adverse report in September, 1959 until May or June, 1960?

A. I don't know. I had a hearing and at the end of February it was operating and as far as I knew it was continuing to operate.

Q. If they weren't entitled to, if they did not have a charter, they had the use of it for some months after the police report of the 22nd of September came in?

A. Yes.

Q. In the result the club, and we have been through this several times, the club was incorporated in July, 1957 and the charter was cancelled in March, 1958?

A. Yes. They all were incorporated at the same time.

Q. Would you put before Mr. Gudney the Central Recreation Club file?

THE COMMISSIONER: Where do I find that?

MR. ESTEY: It is mentioned in Exhibit 8x 'K' my lord.

THE COMMISSIONER: Appendix 'K'?

MR. ESTEY: Yes, sir, on page 2 and it is listed in Appendix 'J' at pages 7, 11 and 20.

THE COMMISSIONER: Yes.

MR. ESTEY: Q. This is an old club, it



During this period since the adverse report
in September, 1959 until May or June, 1960?

and at the end of February it was operating
and as far as I know it was continuing to

Q. If they weren't entitled to, it
they did not have a charter, they had the use
of it for some months after the police report
of the 22nd of September came in?

A. Yes.

Q. In the middle of the year, and we
have been through this several times, the
club was incorporated in July, 1957 and the
charter was cancelled in March, 1958?

A. Yes. They all were incorporated

at the same time.

Q. Would you put before Mr. Gurney

the Central Recreation Club files?

THE COMMISSIONER: Where do I find these?

MR. TERRY: It is mentioned in Exhibit 32 'H'.

My Lord.

MR. TERRY: Yes, sir, on page 2 and

it is listed in Appendix 'I' at pages 7, 11

and 20.

MR. TERRY: Q. This is an old club, is



1 was chartered in 1934?

2 A. That is correct.

3 Q. I am directing your attention,
4 if I may, to your old file starting in the period
5 of March, 1959.

6 A. Yes.

7 Q. This club, to put your mind back,
8 was incorporated in 1934 and the charter was
9 cancelled in July, 1960?

10 A. Yes.

11 Q. Your police force report is from
12 the Metropolitan Police dated the 20th of
13 March, 1959?

14 A. That is correct.

15 Q. And the essence of the report is
16 that it is nothing more than a gaming house for
17 the last few years.

18 THE COMMISSIONER: What is that?

19 MR. ESTEY: This report is dated the
20 20th of March, 1959, my lord.

21 THE WITNESS: It was received on March
22 the 20th and the report is dated March 18th.
23 I am sorry, sir, it is dated March 16th.

24 MR. ESTEY: Q. In that police report
25 you will find reference to what I have quoted,
26 that is, "it was nothing more than a gaming
27 house". It says:

28 "I strongly request the Provincial
29 Secretary to cancel the charter."
30



Q. Now, I am directing your attention,

A. Yes, sir.

Q. I am directing your attention,

if I may, to your old file starting in the period

of March, 1939.

A. Yes.

Q. This club, to put your mind back,

was incorporated in 1934 and the charter was

granted in 1934.

A. Yes.

Q. Your police force report is from

the Metropolitan Police dated the 20th of

March, 1939.

A. That is correct.

Q. And the essence of the report is

that it is nothing more than a gaming house for

the last few years.

THE WITNESS: That is right.

MR. EATON: This report is dated the

20th of March, 1939, my lord.

THE WITNESS: It was received on March

20th and the report is dated March 18th.

I suppose, sir, it is dated March 18th.

MR. EATON: Q. In that police report

you will find reference to what I have quoted,

that is, "it was nothing more than a gaming

house."

"I strongly request the Provincial

"Secretary to cancel the charter."



1 A. That is right. They said it
2 was frequented by persons known to be book-
3 makers and although a conviction had not been
4 registered against ^a ~~the~~ club member, they
5 recommended it should be cancelled.
6

7 Q. On the 25th of March, 1959, there
8 is a memo by you for the Minister in which
9 you recommend cancellation?
10

11 A. Yes, I wrote a memorandum to
12 the Minister dated March 25th, 1959 recommending
13 cancellation.
14

15 Q. What happened as a result of
16 that recommendation?
17

18 A. I can't say. There is nothing
19 further in the file until February, 1960 and
20 apparently it was decided not to cancel the
21 charter.
22

23 THE COMMISSIONER: Q. Where do you find
24 that?
25

26 A. Well, in my memorandum of
27 March 25th, 1959, I recommend cancellation
28 and nothing further was done or appears on
29 the file until February 19th, 1960,
30

 Q. What was done on that date?

 A. I wrote a letter to the club
stating that the charter would be cancelled.
That was a time in the winter of 1960 when
many clubs were under review. This is one
that was likely brought to ^{our} ~~the~~ attention again



Q. That is right. They said it

was frequented by persons known to be book-
makers and although a conviction had not been
obtained against him at that time, the
proceedings should be cancelled.

Q. On the 25th of March, 1960, there
is a memo by you for the Minister in which
you recommend cancellation.

A. Yes, I wrote a memorandum to

the Minister dated March 25th, 1960, recommending
cancellation.

Q. What happened as a result of

that recommendation?

A. I can't say. There is nothing

further in the file until February, 1960 and
apparently it was decided not to cancel the
order.

THE COMMISSIONER: Q. Where do you find

that?

A. Well, in my memorandum of

March 25th, 1960, I recommended cancellation
and nothing further was done or appears on
the file until February 2nd, 1961.

Q. What was done on that date?

A. I wrote a letter to the chief

stating that the charter would be cancelled.
That was a time in the winter of 1960 when
many clubs were under review. This is one
that was likely brought to his attention again



1 by the police in the winter of 1960.

2 Q. Where was it supposed to be
3 operating?

4 Victoria
5 A. On ~~Amherst~~ Street in Toronto.

6 Q. What number?

7 A. I will get the address.

8 Q. What is the address?

9 A. 249 Victoria Street, Toronto. /

10 MR. ESTEY: Q. Then you proceeded
11 with the usual letter to show cause and then
12 on to a notice of hearing?

13 A. Yes, I wrote them on February
14 19th, 1960.

15 Q. And you sent a memorandum to
16 Mr. Pepper in the Attorney-General's Department /
17 asking that the charter be cancelled under
18 Section 385?

19 A. Yes, on suspicion of gaming. /
20 We would take up the evidence with the
21 Attorney-General's Department.

22 Q. I notice on the 22nd of February,
23 ~~1962~~ 1962, you have drawn up a memorandum
24 entitled, "For the Record" on an action taken
25 back in 1959.

26 THE COMMISSIONER: What is the date?

27 A. The 22nd of February, 1962. /

28 MR. ESTEY: Q. Apparently the
29 Minister decided not to cancel the charter;
30 do you see that?



do you see that?

Minister decided not to cancel the charter;

MR. MARTIN: Q. Apparently the

A. The 2nd of February, 1952.

THE COMMISSIONER: What is the date?

back in 1952.

entitled, "For the Record" on an action taken

right 1952, you have drawn up a memorandum

Q. I notice on the 22nd of February,

Attorney-General's Department.

We would take up the evidence with the

A. Yes, on suspicion of hearing.

section 201

saying that the charter be cancelled under

Mr. Pepper in the Attorney-General's Department

Q. And you sent a memorandum to

1952, 1952.

A. Yes, I wrote them on February

on to a notice of hearing?

with the usual letter to show cause and then

MR. MARTIN: I. You had mentioned

A. 239 Victoria Street, Toronto.

Q. What is the address?

A. I will get the address.

What is the

A. To examine the records in Toronto.

1952.

Q. Where was it supposed to be

by the police in the winter of 1950.



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A. No, I haven't that here.

Q. It is a memorandum "For the Record",
written by you on the 22nd of February, 1962.

A. It doesn't seem to be in here.

(Page 12917 follows)



A. No, I haven't that here.

Q. It is a memorandum "For the Record".

written by you on the 22nd of February, 1962.

A. It doesn't seem to be in here.

(over page)

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BB/6

1 Q. It says on the 25th of March the
2 Deputy Minister wrote Dr. Phillips recommending
3 cancellation and apparently the Minister
4 decided not to cancel the charters?

5 A. Yes.

6 THE COMMISSIONER: I may be stupid or I
7 may not, but I think the charter was cancelled
8 in July, 1960?

9 A. That is right.

10 Q. What is this memorandum in February,
11 1962?

12 A. This was a review of the files
13 in preparation for the Commission, and it was
14 a review of the files summarizing the facts,
15 and as I just said apparently the Minister
16 at that time decided not to cancel it.

17 Q. At what time?

18 A. In March, 1959, and it was taken
19 up again with the same Minister in February,
20 1959, and it was decided to cancel it.

21 Q. You got this report on March 4th,
22 1959, and you sent a memorandum on March 25th,
23 1959, recommending the cancellation, and
24 you now say the Minister having received
25 this memorandum decided not to cancel it?

26 A. I can't remember definitely
27 because nothing further was heard until
28 February, 1960. Here is the record I have
29 here.
30



and found to have no effect on the results.

Deputy Minister wrote Dr. Phillips recommending

Decided not to cancel the exhibition

.A .e9Y

I no lights ed you I :HALL0181MMCO SHIT

may not, but I think the character was cancelled

Page 1 of 1

Flight at night

* What is this memorandum in reference to?

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

in preparation for the Commission, and the

* It is not to be used for any other purpose

A. In March, 1953, and to new edition

1944. It was then decided to cancel it.

2. You get this report on March 1st.

you now say the Minister having received

A. I can't remember definitely.



1 Q. Without reading it and taking the
2 time to ask you if what I summarized is
3 correct, perhaps you might so indicate.

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5 (Page 12920 follows)
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at 10:00 AM I was at the
correct, perhaps you might be interested.

(Name of person)

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CG/FTP/1

1 A. Yes, that is correct.

2 Q. Incidentally, does Mr. Pepper answer
3 your letter, your memorandum, asking whether
4 you can cancel under Section 325?

5 A. I wrote to Mr. Pepper on what
6 date was that?

7 Q. You wrote to him on 13th July, 1960.

8 A. 13th July.

9 THE COMMISSIONER: You were interested
10 in the long delay, what happened in the
11 meantime, is that what you are looking for,
12 and why the Minister decided not to cancel
13 1959?

14 MR. ESTEY: That is right.

15 Q. I could not find, Mr. Gudney,
16 any answer from Mr. Pepper in your file.

17 A. No, there is not, but I do
18 remember this, that this club, Central Recreation,
19 I discussed it with Mr. Bowman in his office
20 (I remember the occasion) after I had
21 written to Mr. Pepper, discussing it in Mr.
22 Bowman's office.

23 THE COMMISSIONER: When?

24 A. Following my memorandum to Mr.
25 Pepper.

26 Q. What was the date of your
27 memorandum to Mr. Pepper?

28 A. It is July 13th, 1960. That
29 was after a hearing had been held and I sent
30



1 him the transcript of the evidence.

2 Q. But Mr. Estey is not so much
3 interested in that, as I understand it. It
4 was a memo from you to the Minister in
5 March, 1959, recommending cancellation, and,
6 if I understand you correctly, the Minister
7 decided against cancellation at that time?

8 A. Apparently he did. I don't
9 remember definitely because nothing was
10 done. I had recommended it. Nothing was
11 done so apparently it was decided against.

12 Q. Unless it was overlooked by him
13 or something of that sort?

14 A. Well, yes.

15 Q. But you did not hear anything
16 further?

17 A. No, there is nothing further on
18 file until February, 1960, and that was the
19 time we had a number of clubs being cancelled
20 in the winter of 1960, and the police were
21 bringing many to our attention. This was
22 the time I see that my letter of cancellation
23 was sent to the club.

24 MR. ESTEY: Q. I think it is fair to
25 say, is it not, this came back up to the
26 daylight as a result of the meeting in
27 January, 1960, between the police and the
28 Attorney General and Provincial Secretary?

29 A. That could have been what happened.
30



1. The Government of the United States of America, hereinafter referred to as the "Government," and the Government of the Republic of the Philippines, hereinafter referred to as the "Philippines," have agreed to the following terms and conditions:

42447 21.1.1948 23

every action and has good to show for it.



1 I can't recall definitely but it could have been
2 likely what happened.

3 THE COMMISSIONER: It does not follow
4 that the Commissioner had decided against
5 cancellation. He just didn't do anything
6 about it.

7 A. Didn't do anything about it, yes.

8 Q. It is one thing to say he decided
9 in March, 1959, against it, and it is another
10 thing to say he didn't do anything about it.

11 MR. ESTEY: I am only going by the
12 memorandum in 1960 which said, "Apparently
13 the Minister decided not to cancel the charter."

14 THE COMMISSIONER: Well, the witness
15 does not quite agree with his own memorandum.
16 You say the Minister ---

17 A. It could ---

18 Q. Just listen to me. In your
19 memorandum for the file in 1960 you say:

20 "Apparently the Minister decided not
21 "to cancel."

22 I suppose the most that can be said is that
23 you recommended cancellation but he did not
24 do anything about it?

25 A. Yes.

26 Q. He may or may not have decided
27 one way or the other?

28 A. That is true, my lord, because,
29 as I say, I can't remember exactly.
30



I don't recall definitely but it could have been

THE COMMISSIONER. It does not follow

that the Commission had decided against
connection. He just didn't do anything

about it.

Q. What is your estimate about it?

A. It is one thing to say he decided

in March, 1934, against it, and it is another

thing to say he didn't do anything about it.

Q. Now, I am only relying on the

statement in your letter that "apparently

the Minister decided not to cancel the charter."

THE COMMISSIONER: Well, the witness

then not only agreed with his own memorandum,

the way he handled it —

A. Yes, I think so.

Q. Just listen to me. In your

memorandum for the file of July 27, 1934

apparently the Minister decided not

to cancel it.

I assume that what was said in the

your memorandum cancellation but he did not

he replied with it.

A. Yes.

Q. Now, in your letter to the Minister

you said that the Minister

did not do anything about it.

Q. I say, I don't remember exactly.



1 Q. Mislaid or lost track of?

2 A. Yes.

3 Q. And then popped up again in 1960?

4 A. Yes.

5 MR. ESTEY: Q. Now, Mr. Gudney, I would
6 like to move on to two other clubs which
7 illustrate something different. Would you
8 put before the witness the Tisdale Club file?

9 THE COMMISSIONER: Would this be a
10 convenient time for the mid-afternoon recess?

11 ---A short recess.

13 MR. ESTEY: Q. Do you have the Tisdale
14 Club before you, Mr. Gudney?

15 A. Yes, I have.

16 THE COMMISSIONER: Where do I find that?

17 MR. ESTEY: This one may be a new one,
18 Mr. Commissioner.

19 THE WITNESS: I don't think this is
20 referred to in the brief, my lord.

21 MR. ESTEY: I don't think it is in there.

22 Q. Mr. Gudney, this is an old
23 incorporation, 1924, I believe, granted to
24 residents of Timmins in Tisdale, Ontario,
25 and I take it Tisdale is in the area of
26 Timmins?

27 A. Incorporation is 1925, granted
28 to residents of the Town of Timmins and the
29 Township of Tisdale.

30



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1 Q. And head office at Schumacher,
2 Ontario, right?

3 A. Schumacher, Ontario.

4 Q. Things carry along normally through
5 the years, and the returns are filed showing
6 the addresses in South Porcupine?

7 A. Yes.

8 Q. And Timmins, and so on, and then
9 we find on your old file which is 040336
10 that apparently this club started to operate
11 a branch, purported to operate a branch in
12 Peterborough, Ontario, and that in fact a
13 conviction was registered in Peterborough
14 against people gambling on the premises of
15 the alleged branch.

16 THE COMMISSIONER: What is the date of
17 that conviction?

18 MR. ESTEY: The conviction I don't have
19 the date, my lord, but preferred in 1957
20 as far as I can see. Mr. Cudney may have
21 that.

22 THE WITNESS: Leo Harrington, of the
23 City of Peterborough -- November, 1955, did
24 unlawfully keep a disorderly house, to wit,
25 a common gaming house.

26 THE COMMISSIONER: And the date of the
27 conviction?

28 MR. WILSON: It is January 16th, 1957.

29 THE WITNESS: January 16th, 1957, my lord.
30



1. The first thing I noticed,

2. (continued) when I

3. was walking, I felt a

4. strong sense of

5. the power and the

6. the feeling of

7. I felt

8. and feeling, and as

9. we had on our old

10. coat apparently this

11. a person, reported

12. heretofore, and that

13. something was

14. serious people

15. and almost

16. the situation, and

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30. the situation



1 MR. ESTEY: Q. Now, I think in your old
2 file you have a letter dated January 17, 1957,
3 addressed to you from James A. Maloney, Q.C.
4 Have you found that?

5 A. Yes, I have that.

6 Q. Would you read that letter to the
7 Commissioner, please?

8 A. Letter dated January 17th, 1957,
9 from James A. Maloney, Q.C., addressed to
10 myself:

11 "Dear Mr. Gudney:

12 "Re Tiadale Club

13 "I understand that the charter
14 "of this club is issued and held in
15 "the name of two brothers by the name
16 "of Seron, and they have one branch
17 "of the club operating in Peterborough.

18 "I gathered from my brother, Arthur

19 "Maloney, Q.C., that the men in

20 "charge of the Peterborough branch
21 "of the club were recently convicted

22 "of operating a gambling house, and

23 "I am just wondering how this will

24 "affect the charter of the club.

25 "He tells me that there is no order

26 "made by the Magistrate as to the

27 "cancellation of the charter, but it

28 "occurs to me that some step might

29 "be taken to have it cancelled, and I
30



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Figure 1

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1 "am most anxious that the charter should
2 "not be cancelled as I have been assured
3 "that the offence for which these men
4 "were convicted will not be repeated.
5 "If any stop should be taken towards
6 "cancellation of the charter, I would
7 "appreciate it if you would advise me
8 "before anything is done, as I
9 "expect to be in Toronto for the
10 "opening of Parliament the 28th of
11 "this month, and I will contact you
12 "in connection with this matter."

13 Q. And the reply to that on 28th
14 January, 1957?

15 A. Yes, 28th January, 1957. Will
16 I read that?

17 Q. Well, what is the sense of the
18 reply?

19 THE COMMISSIONER: What was the date of
20 the reply?

21 A. January 28th, 1957, from myself,
22 my lord, to James A. Maloney, re the Tisdale
23 Club, and I say:

24 "I have discussed the matter with
25 "the Hon. Mr. Dunbar, and we will not
26 "proceed to cancel Letters Patent if
27 "it forthwith discontinues the
28 "branch in Peterborough and does
29 "not open any other branches in Ontario.
30



4. A general note, dated 1951, from the Ministry of Health, regarding the health of the population.

my [redacted] to James H. [redacted], one of the [redacted]

215 NOVEMBER 2011

"I am now at home, and we will see you."

„L'homme ne se change jamais que deux fois"



1 "We have not heard from the police as
2 "to the conviction. I am writing to
3 "the police in this respect before
4 "writing the club as to the decision."

5 Q. Then I think you wrote to the
6 police and you received a reply from them?

7 A. Yes, I wrote to the chief constable
8 at Peterborough and I received a reply.

9 Q. January 31st?

10 A. Dated January 31st, 1957, addressed
11 to me from John Naples, Chief Constable,
12 Peterborough, advising us of the conviction
13 of three persons in Peterborough on premises
14 occupied by the Tisdale Club and giving
15 the fines.

16 Q. Then do you have any report from
17 the Ontario Provincial Police in that
18 connection?

19 A. I have a report from the Ontario
20 Provincial Police dated February 11, 1957,
21 from Commissioner McNeill advising us to the
22 fact that Sergeant Anderson had recommended
23 that some thought be given to the cancellation
24 of the letters patent following a conviction
25 of the principals involved in keeping a
26 common gaming house. He attaches a copy of
27 Sergeant Anderson's memorandum and he says:

28 -ed
29 "It is suggest/ that this

30 "recommendation be deferred until the



He have not heard from the police as

"as the conviction. I am writing to

the police in the same manner

"writing the club as to the decision."

Now I have the same question

whether the club received a reply from them

5. Yes, I wrote to the club committee

at Copenhagen and I received a reply.

6. January 1917?

7. Yes, I wrote to the club committee

at the same time, with reference to

reference, advising us of the conviction

of three persons in Copenhagen on questions

concerning the club and the club

and I have.

8. What do you have any other thing

the club committee reply to me?

9. Yes, I have.

10. I have a letter from the club

dated 11th January 1917.

11. I have a letter from the club

dated 11th January 1917.

12. I have a letter from the club

dated 11th January 1917.

13. I have a letter from the club

dated 11th January 1917.

14. I have a letter from the club

dated 11th January 1917.

15. I have a letter from the club

dated 11th January 1917.



1 "period for appeal has terminated."

2 And Sergeant Anderson's report, there are two
3 reports, one February 4th, 1957, and one
4 March 26th, 1957.

5 Q. It is in the March 26th one I
6 think that he recommends the cancellation,
7 is it not?

8 A. Yes.

9 "I respectfully recommend that
10 "some thought be given to having the
11 "letters patent cancelled."

12 Q. That would be after the time for
13 appeal from the 16th January, 1957?

14 A. Yes.

15 THE COMMISSIONER: What is the date of
16 that report?

17 MR. ESTEY: March 26th, 1957, my lord.

18 THE COMMISSIONER: From whom?

19 A. I'm sorry -- 1956.

20 Q. What?

21 A. I'm sorry, unless there is a
22 wrong -- the copy of the report of Sergeant
23 Anderson is dated -- this is just a copy I
24 have now -- March 26th, 1956.

25 Q. That is obviously an error, is
26 it not?

27 A. Obviously an error, I would say.

28 Q. And that was after the time for
29 appeal, was it, yes?
30



and the other, 'I hope I never see you again'.

• 924-1105 (10/11/17)

I am also doing good at all times.

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1957

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1 A. Yes.

2 Q. And recommending cancellation?

3 A. Yes, he said some thought should
4 be given.

5 "I respectfully suggest that some
6 "thought be given to having the
7 "letters patent cancelled."

8 This was enclosed in Commissioner McNeill's letter
9 of February 11th.

10 Q. What?

11 A. Sorry. No, Commissioner McNeill's
12 letter to me is dated February 11th, 1957, and
13 he says -- yes, he said:

14 "A copy of Sergeant Anderson's memorandum
15 "is attached for your information."

16 And it was suggested that this recommendation
17 be deferred until the period of appeal has
18 expired, and then he says:

19 "I now attach a second report received
20 "from Sergeant Anderson with respect
21 "to this subject, and in view of the
22 "results of this case I now
23 "respectfully support his recommendation
24 "that the letters patent be cancelled."

25 Then apparently, my lord, you see, that
26 is the right date, March 26, 1956, because
27 apparently Sergeant Anderson recommended it
28 on March 26, 1956, and then there is a
29 further letter from Sergeant Anderson to
30



1. Yes.

2. The following information

3. was obtained from the

4. files.

5. "I respectfully request that you

6. through the Bureau to advise me

7. of any further action.

8. This was received in Washington, D.C.,

9. of February 11th.

10. The

11. A copy of the report of the

12. Bureau is being forwarded to you.

13. As soon as you, he said:

14. "A copy of the report of the

15. "is attached for your information."

16. It is requested that you

17. be directed until the period of appeal has

18. expired, and then he says:

19. "I now submit a second report received

20. The Bureau has been advised

21. "to file subject, and in view of the

22. "fact that this case is now

23. "pending, please do not

24. "that the letters should be expedited."

25. Then respectfully, my friend, you see, that

26. is the right date, March 22, 1936, because

27. "I am sure that there is a

28. "I am sure that there is a

29. "I am sure that there is a

30. "I am sure that there is a



1 Commissioner McNeill on February 4th, 1957:

2 "With reference to the marginally
3 "noted subject and my memorandum of
4 "March 26, 1956, and your reply
5 "stating 'When the period of appeal
6 "has terminated this matter be drawn
7 "to my attention', I submit the
8 "following information."

9 MR. ESTEY: Q. If that is the correct
10 date, what were the grounds for the suggested
11 cancellation to be in 1956?

12 A. "Friday, November 4th, 1955.
13 "Provincial Constable Sweeney assisted
14 "by one Jack Briscoe, obtained entry
15 "to the Tiddals Club, Peterborough,
16 "and was able to play in a bank
17 "crap game. A warrant to search
18 "was executed at these premises
19 "resulting in seven persons --
20 "Neil Harrington, Ronald Horton,
21 "Kenneth Fleetwood, Richard O'Brien,
22 "Leo Delaine and Walter McHaffey,
23 "being arrested and charged with
24 "keeping a common gaming house
25 "contrary to Section 176(1) of
26 "the Criminal Code. Twenty-eight
27 "persons were charged with being
28 "unlawfully 'found in' a common
29 "gaming house.
30



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"With reference to the original"

"I have not yet seen the original"

"March 20, 1900, and your reply"

"receiving 'then the period of appeal'"

"has been extended until after the year"

"of the appeal, I think the"

"following information."

"MR. LUTHER: 6. It has in the course"

"of time, when the ground for the appeal"

"has been extended to the year 1900"

"is 'Friday, March 20, 1900'."

"The 'Friday, March 20, 1900' is the"

"day on which the appeal was made."

"The day on which the appeal was made"

"is the day on which the appeal was made"

"is the day on which the appeal was made"

"is the day on which the appeal was made"

"is the day on which the appeal was made"

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"is the day on which the appeal was made"

"is the day on which the appeal was made"

"is the day on which the appeal was made"



"On Wednesday . . ."

Q. Just a moment. Perhaps that may not be necessary to take the time to go into it in that detail. It would appear, therefore, that you had a recommendation for cancellation, you had certificates of convictions. What action, if any, was taken on the recommendation after the cancellation?

MR. WILSON: Did we get the date they got that memorandum of March, 1956?

MR. ESTEY: Q. Do you have the date? Are you clear on the date on your file? Had you received Anderson's report which is dated March 26th?

A. It came to me by way of a letter from Commissioner McNeill, and McNeill's letter to me is dated February 11th, 1957, but he attaches two reports from Anderson and the first is dated March 26, 1956, and February 4th, 1957, so I would say that the 1956 is correct. I thought at first perhaps it was not.

Q. I see.

A. Because the conviction was in 1955 or the beginning of 1956.

Q. Now, once you got that report, whatever the date on it, what action, if any, has been taken to cancel the charter?

[illegible]

It is necessary to take the time to plan

[illegible]

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED



1 A. There is a letter from me to
2 Commissioner McNeill dated February 18th, 1957:

3 "Dear Commissioner McNeill: [redacted]

4 "Re Tisdale Club "

5 THE COMMISSIONER: Just give us the sub-
6 stance of it. [redacted]

7 A. In which I say that the matter
8 of the conviction has come to our attention
9 and I took the matter up with my Minister,
10 the Hon. Mr. Dunbar, and it was decided letters
11 patent would be cancelled unless the club
12 would forthwith discontinue its Peterborough
13 branch. [redacted]

14 "I received a letter dated

15 "June 30th from Mr. Herman relative

16 "to the matter which I am enclosing,

17 "from which it appears that the

18 "Peterborough branch would be dis-

19 "continued."

20 MR. WILSON: " . . . has been discontinued."

21 MR. HSTBY: Q. You received a letter
22 from whom?

23 A. Mr. Herman, Mr. Louis Herman.

24 Q. That is the first mention of him
25 in this file, is it?

26 A. There is a letter before.

27 Q. What is the date of it?

28 A. A letter dated January 30th, 1957,
29 addressed to me from Mr. Louis Herman. It says:
30



1. There is a letter from the

2. The letter is dated January 1941

3. The letter is addressed to the

4. The letter is from the

5. The letter is from the

6. The letter is from the

7. The letter is from the

8. The letter is from the

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10. The letter is from the

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27. The letter is from the

28. The letter is from the

29. The letter is from the

30. The letter is from the



1 "Dear Sir,

2 "We are instructed to assure your
3 "Department that the club will not at
4 "any time tolerate any gambling
5 "activities whatsoever within its
6 "club, and for that reason has cancelled
7 "the branch formerly carried on under
8 "its name in Peterborough."

9 THE COMMISSIONER: What is the date of
10 this letter?

11 A. January 30th, 1957.

12 MR. ESTEY: Q. What is your policy on
13 these clubs when they open up these so-called
14 branches?

15 A. If there is a conviction, Mr. Estey?

16 Q. With or without a conviction,
17 first?

18 A. Well, under the old Act, under
19 which this was incorporated, a club technically
20 at law could have branches. Under our
21 present practice since 1950 a club could not
22 have because they are limited to a particular
23 address.

24 Q. That is your policy on the old
25 charters which do not have that limitation.
26 I take it from what you say that if there is
27 a conviction, you cancel the charter unless
28 they close down the branch in which the
29 conviction was registered, is that a fair
30

[illegible]



1 summary?

2 A. No, we have cancelled charters where
3 the branch has been convicted. There is this
4 case and one other case where a charter was
5 not cancelled on the condition that the
6 branch was closed down.

7 Q. That would be the West End Bridge
8 Club?

9 A. No, I think it is the Miners' Club.

10 Q. The Miners' Club?

11 A. Miners' Club was subsequently
12 cancelled but, I mean, I think the same situation
13 arose in the Miners' Club.

14 Q. Now, in this club I take it that
15 you satisfied yourself, because you have a
16 letter from the Provincial Police that you
17 have not read yet to the effect that this
18 branch was in fact closed, have you not?

19 A. Yes.

20 Q. And I take it that once you were
21 satisfied of that fact, you discontinued
22 any procedure which may have been started
23 to cancel the club's charter?

24 THE COMMISSIONER: When were the procedures
25 started to be cancelled?

26 MR. ESTEY: Q. You spoke to the Minister
27 and the Minister laid down certain conditions?

28 A. He said if the club was closed
29 down, why, there would be no cancellation.
30



Q. Now, the first question was asked, was it not?

A. Yes, the first question was asked, was it not?

Q. The second was asked, was it not?

A. Yes, the second was asked, was it not?

Q. The third was asked, was it not?

A. Yes, the third was asked, was it not?

Q. That would be the first and last?

A. Yes.

Q. No, I think it is the second time.

A. The second time?

Q. Yes, the second time?

A. Yes, I mean, I think the first question

was the first question, was it not?

Q. Now, in that case I take it that

the first question was asked, was it not?

A. Yes, the first question was asked, was it not?

Q. Have not told yet to the effect that that

search was in fact closed, have you not?

A. Yes.

Q. And I take it that once you have

indicated that you have, you have indicated

any procedure which may have been started

to cancel the first's character?

A. Yes, the first question was asked, was it not?

Q. The second question was asked, was it not?

A. Yes, the second question was asked, was it not?

Q. The third question was asked, was it not?

A. Yes, the third question was asked, was it not?

Q. We said it the first was closed

A. Yes, the first question was asked, was it not?



1 Q. And once the O.P.P. certified in
2 effect that the branch had closed, there was
3 nothing further?

4 A. Nothing further. I am sorry, Mr.
5 Estey, but the letter was from the City of
6 Peterborough Police, not from the Provincial
7 Police, advising that the club had closed.

8 Q. I see. I take it from what you
9 said or not said, that no action was taken
10 to find out why the Tisdale Club up in
11 Timmins had authorized a branch down in
12 Sudbury?

13 THE COMMISSIONER: In Peterborough.

14 MR. ESTEY: Q. In Peterborough.

15 A. No.

16 Q. Or whether there was any financial
17 connection between the two clubs?

18 THE COMMISSIONER: Mr. Gudney has said
19 that under the old Act they could have
20 branches.

21 MR. ESTEY: That is right, sir. My
22 question is if they were profiting out of
23 the branch in Peterborough which is the
24 subject of a conviction.

25 THE COMMISSIONER: I see.

26 MR. ESTEY: Why it would not affect the
27 root of the club back in Tisdale, Timmins.

28 THE WITNESS: Well, there was no
29 investigation made into the Timmins.
30



Q. And once the O.P.P. completed in

about that time the O.P.P. was about that time

because they were

A. Well, I don't know. I don't know, but

they, but they were about that time

because they were about that time

because they were about that time

A. I see. I think it is from what you

said on the radio, that is, that is, that is

to find out why the P.O. was up in

the house and authorized a search of the

house.

Q. Now, I understand, in the house,

the house, in the house,

the house, in the house,

the house, in the house,

the house, in the house,

the house, in the house,

the house, in the house,

the house, in the house,

Q. Now, I think it is right, isn't it?

because it is in the house, isn't it?

the house, in the house, which is the

house, in the house.

A. I see.

Q. Now, I think it is right, isn't it?

the house, in the house, which is the

the house, in the house, which is the

the house, in the house, which is the



1 MR. ESTEY: Q. All right. Now, the West
2 End Bridge and Social Club is another example?

3 A. Just pardon me a moment. There
4 was one that was to further social conditions
5 in the Town of Timmins.

6 Q. That is the Porcupine Club, is
7 it not?

8 A. Maybe it is the Porcupine. I
9 mentioned the Miners'. Maybe it is the
10 Porcupine is the other one. Anyway ---

11 Q. Porcupine Club has that, to
12 better social conditions in the Town of
13 Timmins?

14 A. Yes, they had a branch in Hamilton.

15 Q. Almost an insult to the Town of
16 Timmins, the fact that the club, the Porcupine
17 Social Club (that is where it is) is to
18 better social conditions in Timmins. That
19 is the one I think you have in mind?

20 A. Yes.

21 Q. And that one formed a branch but
22 I am going to come to that under another
23 heading, if I may, although if you want to
24 deal with it now I will.

25 A. No, I was just going back to see,
26 when you mentioned Timmins, I thought maybe
27 the one that was to better social conditions.

28 Q. No.

29 A. Because the other one caused the
30



106-978, 909, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

in the town of Tinseltown.

[illegible]

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ALABAMA, and I was with the club, the 9. 10. 11.

[illegible]

the current is limited and the SNA . . .

I am happy to come to this meeting another



CC/3
1 enquiry. I remember I said I didn't see how they
2 could better social conditions by having a
3 branch in Hamilton.

4 Q. Yes, I am going to come back to
5 that one. However, another example of this
6 in Southern Ontario is the West End Bridge
7 and Social Club, and your file is C45053.
8 That one is in the brief, I think. This
9 incorporation, Mr. Cudney, February, 1939.
10 The letters patent, I take it, do not have
11 the modern clauses in it, and my notes do not
12 indicate that it is limited to any location.
13 Is that correct?

14 A. It is limited to the -- it says
15 "within the City of Toronto", not to a
16 particular address but within the City of
17 Toronto and not elsewhere.

18 Q. This, I think, is one of the
19 cases where you have a number of reasons
20 for your action, and in passing perhaps we
21 should note them. In your "G" file I see
22 that you received a number of annual returns
23 for the years 1939, 1940 and so on, in
24 September, 1952?

25 A. There seems to be no covering
26 letter, Mr. Estey.

27 Q. I don't think there is.

28 A. No. The 1952 is received in
29 June, 1954. Would you like me to go back
30



endure. I remember I said I didn't see how they
could have been so comfortable in the
prison in Hamilton. Yes, I am going to come back to
that one. I don't know how much of this
in the past history of the town and village
and Social Club, and your life is there.
But now in the past, I think you
remembered the things, the things, the things.
The history passed, I think it, so not have
the modern classes in it, and my notes do not
include what is in the past in my history.
It was history.
A. It is limited to this -- it says
"within the city of Toronto", not to a
particular address but within the city of
Toronto and its suburbs.
I think I think it is not of the
past but of the present in the
for your action, and in passing through we
should note them. In your "3" file I see
that you received a number of annual returns
for the years 1932, 1933 and so on, in
September, 1937.
There seems to be no covering
letter, Mr. Tracy.
I don't think there is.
No. The 1932 is received in
June, 1934. Would you like to go back



1 on the file?

2 Q. No, I think not. It later turns
3 up as one of the grounds that you pointed to
4 the club, I believe.

5 THE COMMISSIONER: Is it a fact that in
6 1952 you received the annual returns for 1940
7 and all intervening years?

8 A. No, I don't think we did, my lord.
9 I am just checking. In 1952 we received
10 the 1950 return; in 1949 we received the
11 1949 return.

12 MR. ESTEY: Q. Would you look at 1939,
13 1940 and 1941, please.

14 A. Yes, in 1952 we received the
15 1939 return; in 1952 we received the 1940
16 return; in 1953 we received the 1941 return,
17 and in 1942 we received the 1942 return.

18 Q. I think it reverts then to the
19 proper filing?

20 A. Yes.

21 Q. Until 1957. Then you did
22 publish the notice in the Gazette that if
23 they did not file returns you were going
24 to cancel?

25 A. Yes, a registered letter was
26 sent on August 7th, 1957, the notice of
27 cancellation for failure to file returns.

28 Q. Then in your old file your
29 correspondence starts on 18th September, 1958,
30



on the 11th

Q. No, I think not. It later came

up as one of the grounds that you pointed to

the 11th, I believe.

THE COMMISSIONER: It is a fact that in

1934 you received the 1934 return for 1934

and all intervening years.

A. No, I don't think we did, my lord.

Q. In fact, however, in 1934 we received

the 1934 return; in 1935 we received the

1935 return.

Q. Now, Mr. Kelly, would you look at 1934,

1934 and 1935 please.

A. Yes. In 1934 we received the

1934 return; in 1935 we received the 1935

return; in 1936 we received the 1936 return;

and so that we received the 1937 return.

Q. I think it is more than 30 the

proper thing?

A. Yes.

Q. Now, Mr. Kelly, I am going to

propose the notice in the 1934 case is

that the 1934 return was not

so exactly

A. The 1934 return was not

sent on August 1st, 1934, the notice of

assessment for 1934 was not

sent at the time of the 1934

assessment on both September, 1934,



1 with a letter from you to the Chief Constable
2 at Hamilton?

3 A. Yes, that is true, Mr. Estey,
4 September 18th, 1958.

5 Q. I think you refer to recent
6 correspondence in your letter. I cannot find
7 any on the file. I don't wish to take time
8 to get into it unless you have some answer
9 or explanation for that.

10 A. I don't know, Mr. Estey. It
11 starts, the old file starts:

12 "I refer to recent correspondence
13 "relative to the above named club."

14 Q. And there does not appear to be
15 any?

16 A. Unless it is on the "C" file,
17 "I refer to recent correspondence". Now,
18 there is something on the old file, at least
19 the beginning -- is that on September 18th, 1958,
20 to the Chief Constable of Hamilton?

21 THE COMMISSIONER: What is the letter
22 about?

23 A. "I refer to my recent correspondence
24 "relative to the above named club. It
25 "appears that the club has contravened
26 "the provisions of its charter by
27 "opening a branch in Hamilton, and we
28 "propose to cancel the letters patent
29 "accordingly. For your information I
30



with a letter from you to the other company.

So naturally

A. Yes, that is true, Mr. Kewey,

because they, too,

are -- I think you know of course --

correspondence in your letter. I cannot find

any other thing. I have not seen it since then.

So that is all we have seen since then.

We have not seen it since then.

So that is all we have seen since then.

After, the old title means

"I refer to recent correspondence"

"relative to the above named case."

So that is all we have seen since then.

any

which is all we have seen since then.

It may be that correspondence, but

there is something in the old title, as stated

the relation -- as that on September 10th, 1907,

to the title of the case of Hamilton

the Hamilton case is the same

about

"I refer to my recent correspondence"

"relative to the above named case."

So that is all we have seen since then.

because that the case has correspondence

and provisions of its charter by

opening a branch in Hamilton, and we

should be aware of the fact that

"Accordingly, from your information I



1 "am enclosing a copy of a letter I have
2 "to-day written to the club. I will
3 "advise you when the order is made
4 "cancelling the letters patent."

5 MR. ESTEY: Q. The Hamilton Police have
6 filed with this Royal Commission a collection
7 of transcripts from files of the Hamilton
8 Police, and in it it refers to an interview
9 between the police of Hamilton and your
10 Department on the 21st of August, 1958.

11 It may be that your reference in your
12 letter is a mistake, and instead of referring
13 to earlier correspondence it should have been
14 earlier conversation?

15 A. It might be, yes.

16 Q. All right. Then what happened?

17 A. Then I wrote to the club on
18 September 18th, same day, to the club:

19 "The letters patent provide that
20 "your purposes and objects may be
21 "carried out in the City of Toronto
22 "and not elsewhere. It is brought
23 "to our attention that your club is
24 "operating a branch in Hamilton.
25 "Accordingly in view of the fact
26 "that you have contravened the
27 "provisions of your charter, I
28 "would advise you that one week from
29 "to-day an order will be made under
30



Would you like to see the book?

Yes, I would like to see the book.

It is a very interesting book.

Yes, it is very interesting.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.

It is a very good book.

Yes, it is a very good book.



1 "subsection 1 of Section 325 of the
2 "Corporations Act cancelling the
3 "letters patent of your club for
4 "cause."

5 Q. Now, in fact, the cancellation was
6 completed in 1960, 25th June, 1960, and your
7 letter is 18th September, 1958?

8 A. Yes, the order of cancellation
9 was dated 27th May, 1960.

10 Q. I think you have something in
11 your file to indicate the discontinuance of
12 that action. I am sorry, I do not have the
13 date. If you look at 26th September, 1958 ---

14 A. Yes, there is a copy of a letter
15 on file here.

16 Q. It is a letter to Sol Gebirtig?

17 A. Letter from myself to Sol
18 Gebirtig, re the club:

19 "I refer to our conversation of
20 "recent date relative to my letter of
21 "September, 1958, to the above named
22 "club. I have discussed the matter
23 "with my Minister, the Hon. Mr. Dunbar,
24 "and would advise that we will not
25 "take steps to cancel the letters
26 "patent of the club provided the
27 "club immediately discontinues its
28 "branch in Hamilton."

29 Similar to the Tisdale.
30



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1 THE COMMISSIONER: What is the date of that?

2 A. September 26th, 1958, and I so
3 advised the Hamilton Police.

4 MR. ESTEY: Q. Yes, on the same date?

5 A. Same date.

6 Q. Then they replied?

7 A. Yes, Chief Lawrence wrote me a
8 letter on September 26th in which he said:

9 "Referring to your letter in
10 "respect to this action taken by your
11 "Department, we are very pleased that
12 "a full effort has been extended to
13 "prevent the circumventing of your
14 "regulations in the operation of
15 "chartered clubs in Ontario. Should
16 "the West End Club appeal your
17 "findings in this matter, we will
18 "be only too pleased to have our
19 "morality officers attend any
20 "hearings to extend information in
21 "addition to those reports previously
22 "submitted to your office."

23 Q. Then I think the Hamilton City
24 Police brought over to your Department some
25 documents, Mr. Cudney, which consisted of the
26 minutes or what purported to be the minutes
27 of the club authorizing the establishment of
28 the Hamilton branch, and I think those
29 minutes were returned to the Hamilton Police
30



The following is a list of the names of the persons who have been identified as being involved in the activities of the group, and the dates on which they were identified.

1. [Name], [Date], and [Date].

2. [Name], [Date], and [Date].

3. [Name], [Date], and [Date].

4. [Name], [Date], and [Date].

5. [Name], [Date], and [Date].

6. [Name], [Date], and [Date].

7. [Name], [Date], and [Date].

8. [Name], [Date], and [Date].

9. [Name], [Date], and [Date].

10. [Name], [Date], and [Date].

11. [Name], [Date], and [Date].

12. [Name], [Date], and [Date].

13. [Name], [Date], and [Date].

14. [Name], [Date], and [Date].

15. [Name], [Date], and [Date].

16. [Name], [Date], and [Date].

17. [Name], [Date], and [Date].

18. [Name], [Date], and [Date].

19. [Name], [Date], and [Date].

20. [Name], [Date], and [Date].

21. [Name], [Date], and [Date].

22. [Name], [Date], and [Date].

23. [Name], [Date], and [Date].

24. [Name], [Date], and [Date].

25. [Name], [Date], and [Date].

26. [Name], [Date], and [Date].

27. [Name], [Date], and [Date].

28. [Name], [Date], and [Date].

29. [Name], [Date], and [Date].

30. [Name], [Date], and [Date].



1 by your Mr. McNeill?

2 A. Yes, there is a letter from -- I
3 wrote Chief Lawrence on October 3rd and said
4 if the Hamilton branch was not discontinued,
5 would he advise me accordingly. Then there is
6 a letter of October 8th, 1953, is that the
7 one you mean?

8
9 (Page 12945 follows)



Q. Now, what is the name of the person who was with you on October 1st and 2nd?

A. Yes, there is a letter from me to

write Chief Lawrence on October 1st and 2nd.

If the position branch was not discontinued,

would he have me accordingly, then there is

a letter of October 2nd, 1958, in that file

one you mean?

(The witness answers)



1 MR. ESTEY: Q. Yes?

2 A. From our Mr. McNeill to the
3 Chief of Police of Hamilton:

4 "I am forwarding herewith material
5 "filed with this department by the
6 "constables who attended at the office
7 "of the writer concerning the above
8 "club. I understood from the officers
9 "they wished to have the material returned
10 "and I am enclosing the same herewith."

11 Q. The Hamilton police have filed
12 with Mr. Commissioner a series of files, one
13 of which is the West End Bridge Club and in that
14 are two sets of minutes, which I have previously
15 read, of the Board of Directors and the member-
16 ship of the West End Bridge and Social Club of
17 two meetings held here in Toronto on the 4th and
18 11th of July, 1958, at which they purport to
19 authorize the establishment of this Hamilton
20 Branch. Yes, I have them both noted. On the
21 4th of July the directors purport to establish
22 the Hamilton branch. On the 11th of July the
23 members purport to ~~sum~~ confirm the action of
24 the directors.

25 I wonder if we could mark this Hamilton
26 brief as an exhibit?

27 THE COMMISSIONER: You have it read into
28 the Record; that is sufficient.

29 MR. ESTEY: Q. Mr. Cudney, this Hamilton
30 branch may appear superficially to fall within



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1 the policy of the Wisdale Club but there is a
2 substantial difference, in that the Letters
3 Patent confine it to the city of Toronto and not
4 elsewhere?

5 A. That appears to be the basis ^{we} were
6 going to ~~cancel~~. There is no conviction on the
7 file of the West End Bridge at that time but they
8 had contravened their charter.

9 Q. Do you have any other illustrations
10 of this waiving of the conduct which was in breach
11 of the letters patent and not cancelling?

12 A. Where they had gone to another
13 municipality?

14 Q. Yes.

15 A. No, I can't recall any, Mr. Estey.

16 Q. To dispose of this --

17 A. No, I can't think of any off-hand.

18 Q. To dispose of this club and move
19 on to something else: Subsequently you received
20 a report from Chief Mackey and the charter was
21 cancelled?

22 A. Yes, I received a report on April
23 26, 1960, from Chief Mackey.

24 Q. What were the grounds of cancellation?

25 A. There was a conviction.

26 Q. A gaming conviction?

27 A. Yes. The club, itself, in this case,
28 was convicted on April 13, 1960, of keeping a
29 common betting house. I advised them on May the
30 12th that the charter would be cancelled, the usual



the policy of the 17th and 18th is a

generalized statement, it is the policy

which is the basis of the policy and the

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the policy of the 17th and 18th is a

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generalized statement, it is the policy



1 cancellation letter.

2 Q. Again, I asked you the question I
3 asked you about the Tisdale Club: Was there any
4 inquiry instituted to find out whether the
5 West End Club, as such, profitted from the
6 improper establishment of the Hamilton branch?

7 A. No, there wasn't, not to my
8 knowledge, Mr. Estey.

9 Q. Now, would you turn to the Portuguese-
10 Canadian Association of Toronto, Mr. Gudney,
11 please?

12 THE COMMISSIONER: Which one?

13 MR. ESTEY: Portuguese-Canadian Association
14 of Toronto.

15 MR. WILSON: Brief, 59; Appendix J, 5, 17
16 and 20; and Appendix K, page 7.

17 MR. ESTEY: Q. Do you have that file,
18 now?

19 A. Yes, I have.

20 Q. That is an application, I think,
21 made November, 1956, and letters patent issued
22 effective the same date?

23 A. Incorporated November 14, 1956.

24 Q. I would like to draw your attention
25 in this one to the fact that this is a little
26 different to what we have seen up to now. In the
27 application -- Do you have that before you?

28 A. Yes.

29 Q. I see that you have cut down the
30 objects of those proposed by the applicant.



concerning the matter.

Q. Now, I believe you are saying that

there was some one who was with you at the time

you were in the car, is that right?

A. Yes, I am saying that I am not sure

whether it was the same person or not.

Q. Now, there wasn't, was there?

A. I am not sure.

Q. Now, would you tell me the name of

the person who was with you at the time?

A. I am not sure.

Q. Now, I am asking you to tell me the name

of the person who was with you at the time.

A. I am not sure.

Q. Now, I am asking you to tell me the name

of the person who was with you at the time.

A. I am not sure.

Q. Now, I am asking you to tell me the name

of the person who was with you at the time.

A. I am not sure.

Q. Now, I am asking you to tell me the name

of the person who was with you at the time.

A. I am not sure.

Q. Now, I am asking you to tell me the name

of the person who was with you at the time.

A. I am not sure.

Q. Now, I am asking you to tell me the name

of the person who was with you at the time.

A. I am not sure.

Q. Now, I am asking you to tell me the name



1 The applicant's objects, as I noted them, included
2 these:

3 "To establish, maintain and conduct
4 "a club for the accommodation, convenience
5 "and recreation of the members of the
6 "corporation and others; . . ."

7 Is that correct?

8 A. Yes.

9 Q. Secondly:

10 "To afford the members of the
11 "corporation and their friends all the
12 "usual advantages, convenience and accommo-
13 "dation of a club."

14 A. Yes.

15 Q. These are the ordinary social club
16 objects, are they not?

17 A. Yes.

18 C. In the letters patent you cut those
19 out and narrowed them down to the concluding
20 part of the application:

21 "To promote the theory and practice
22 "of the members of good citizenship;

23 "(b) To promote the learning of the
24 "English language . . ."

25 and so on.

26 This is a club we have heard about and
27 you mention in the brief as one you made no
28 police referral?

29 A. Yes.

30 Q. Did you not make the police referral



[Faint, illegible markings]



1 by reason of the fact you narrowed the objects
2 down so they were not, literally, a social club?

3 A. Let me take a look at this.

4 There is an acknowledging letter from the
5 departmental solicitor and, then, there is a letter
6 from the solicitor for the applicants.

7 "This club is being formed mainly
8 "for the purpose of assisting Portuguese
9 "immigrants in obtaining suitable employ-
10 "ment, suitable accommodation and in
11 "learning to speak English. Mr. Joseph
12 "Menezes is organizing the club and he
13 "is doing a considerable amount of good
14 "work on behalf of Portuguese immigrants, . . ."

15 C. Yes. That is in response to a
16 letter from your department asking them if they
17 intended to hold real estate?

18 A. Yes.

19 C. The letter of the 16th of November,
20 1956?

21 A. Yes, that is right.

22 Q. Their reply is that they do not
23 intend to hold real estate?

24 A. Yes.

25 C. You would not have asked the question
26 about real estate if this were not really in your
27 mind a social club; isn't that right?

28 A. Yes.

29 C. Secondly, you put the bars and
30 bolts clause in this charter?



1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

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[illegible]



1 A. Yes.

2 Q. Which you would not have done if
3 it was not a social club?

4 A. No.

5 Q. So, your department regarded this
6 as a social club?

7 A. For some reason a bars and bolts
8 clause got in there. I see there is a further
9 letter from the department solicitor:

10 "In the case of a corporation
11 "having provision in its objects for a
12 "charitable or benevolent fund, it is
13 "necessary . . ."

14 That is something with the view to winding up.

15 I can't say there, Mr. Estey. The bars and
16 bolts clause is in the charter and I think the
17 ten cent an hour clause is in the charter also.

18 Q. Yes. You have applied section 23
19 of your regulations to this incorporation?

20 A. Were they limited to the -- No, the
21 premises -- Yes, those two clauses are applied.
22 The premises are not limited.

23 Q. But the introduction of the regula-
24 tion --

25 A. The only thing I can say: when it was
26 handled it was taken, in view of the letter, as
27 some sort of a philanthropic organization.

28 THE COMMISSIONER: The bars and bolts clause
29 and the ten cent an hour clause would not make
30 it a social club.



which you would not have done?

is not a social club?

is a social club?

For some reason a hard and cold

thing and is hard, I am sure it is

hard and is hard and cold.

It is not a social club.

It is not a social club.

It is not a social club.

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It is not a social club.



1 MR. ESTEY: There is no suggestion, Mr.
2 Commissioner, you would not put that in --

3 THE COMMISSIONER: They may have put it in
4 but it was not thereby made a social club.

5 MR. ESTEY: The introduction to section 23
6 - I do not wish to take up time on this but I would
7 like to show why I put the question that way -
8 the introduction to the regulation says:

9 "where the objects of a corporation
10 "are in whole or in part of a social nature,
11 "the letters patent or supplementary letters
12 "patent of the corporation shall contain
13 "the following: . . ."

14 And there there follows exactly what was in these
15 letters patent. I am suggesting the letters patent
16 are logical because you would not put that in a
17 religious organization, which is another one
18 ~~abundant~~ listed in section 101. The only ones
19 it applies to in 101 are the fraternal, social
20 and athletic.

21 Q. I put the question to you, Mr. Cudney:
22 The department did, in fact, treat this as a social
23 club?

24 A. True, they asked for social powers,
25 among others, originally and the social powers
26 were deleted. The two special clauses were in
27 but they may have been put in for good measure.
28 There is nothing in the objects to suggest a
29 social club. I can't explain how those two
30 special clauses got in but in view of what they



Q. Now, you are a member of the

organization, you would not put it in

THE ORGANIZATION: They are here in

and it has not changed since a social club.

Q. Now, you are a member of the

- I do not wish to take up time on this but I wish

the following: I am a member of the

organization of the organization of the

organization of the organization of the

"and in whole or in part of a social nature,

"the latter part of the organization of the

"nature of the organization of the

"the following: I am a member of the

and have been a member of the organization of the

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Q. I am the president of the organization of the

the document did, in fact, want this as a social

club.

A. Yes, they called the social group,

and they called it the social group,

and they called it the social group,

and they called it the social group,

there is nothing in the document to suggest a

social club. I don't think it was a social club.



1 asked for originally they may have been put in
2 for good measure.

3 Q. The real estate inquiry you made
4 because you treated it as a social club?

5 A. Yes. Well, that was before its
6 powers, I take it, were deleted. On the basis
7 of the powers that they originally asked for.
8 I am just reading these letters.

9 Q. Did the applicants agree to these
10 restrictions anywhere in the file, the elimination
11 of these objects?

12 A. No, I can't see -- It was likely
13 -- It must have been done by telephone. There
14 is nothing on the file here to indicate that they
15 agreed.

16 Q. All right. We will move on, Mr.
17 Cudney. This was incorporated November, 1956.
18 I think your file reveals the first police report
19 was November, 1958. Is that right?

20 A. November 14 -- I am sorry. November
21 5, 1958, yes. And report sent to the Provincial
22 Secretary of convictions registered against
23 members for breach of Liquor Control Act and
24 requesting cancellation of the charter.

25 THE COMMISSIONER: Q. Report from whom?

26 A. Report from the ^eMetropolitan ^oToronto
27 ^Apolice, my Lord, from Acting Chief Lee.

28 MR. ESTEX: Q. Now, in the course of this
29 cancellation proceeding which followed that police
30 report you wrote a memorandum to the then Provincial



...for or against, but not have been put in
 the good measure.

Q. The next column is the 1st of the 1st

...is as a result of the

A. ...

...I have it, none detected. In the first

of the source that this is the first

I am just going to say

...all the information given to me

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1 Secretary in which you discussed this club and the
2 evidence which you took. Do you see that memor-
3 andum, January 29, 1959?

4 A. Yes.

5 Q. Incidentally, for what it is worth,
6 I notice Inspector Walker refers to this as
7 "the above-mentioned social club". Is that
8 correct?

9 A. Yes. Before that, there was quite
10 a bit leading up to it. There was quite a bit
11 inbetween my memo to Dr. Phillips, yes, a great
12 deal.

13 Q. We have seen it before in a similar
14 context in connection with other clubs.

15 A. Yes.

16 Q. Would you mind reading the memo,
17 the part which is new to this club and special
18 to this club which starts in the third paragraph?

19 THE COMMISSIONER: Q. What is the date
20 of the memo?

21 A. January 29, 1959.

22 Q. From whom to whom?

23 A. From myself to Dr. Phillips, the
24 minister at the time. It is "Re Portuguese-
25 Canadian Association"; it is a two page memorandum.

26 MR. ESTEY: Q. Do you see the paragraph that
27 starts "At one time a number of years ago"?
28 It should be near the end.

29 A. "At one time, a number of years
30 ago, we were criticized by the police and



...in which you discuss the ...
 ...which you took. Do you see that ...

A. Yes.
 Q. ...

I notice the ...
 ...

A. Yes. Before that, there was ...
 ...
 ...

...
 ...

A. Yes.
 Q. Would you mind reading the ...

the part which is now to this ...
 ...
 ...

A. January 19, 1900.
 Q. ...

A. From ...
 ...

...
 ...

...
 ...

A. ...
 ...



1 "the Toronto City Council for not using
2 "enough care in granting club charters.
3 "For the past ten years, we have been very
4 "strict in the granting of club charters
5 "and all clubs are cleared with the local
6 "and provincial police before Letters
7 "Patent are issued. Also, we have always
8 "cancelled the Letters Patent when there
9 "has been a criminal conviction. The result
10 "of this practice has eliminated all
11 "criticism from the police and the
12 "municipalities. I am afraid if we do not
13 "cancel the Letters Patent of this Club
14 "we could be criticized by the public in
15 "general."

16 This was in respect -- The hearing was
17 held -- I had held a hearing on January 13 and
18 this memo was written on January 29.

19 Q. Now, I would like to ask you two
20 questions on that. First of all, from an ordinary
21 reading of that memorandum it would appear you
22 put some unusual effort in this recommendation
23 for cancellation; you did not simply say "I
24 recommend cancellation". Had there been, previously,
25 discussion with the minister or anyone else which
26 lead you to believe you might have difficulty in
27 getting this cancellation?

28 A. There would be previous discussion
29 with the minister when the police report came in.
30 I would take it up with him to decide whether



The first of these is the fact that the
 Government has been unable to secure
 the necessary funds to carry out its
 policy of non-interference. This is
 due to the fact that the Government
 has been unable to secure the necessary
 funds to carry out its policy of non-
 interference. This is due to the fact
 that the Government has been unable
 to secure the necessary funds to carry
 out its policy of non-interference.



1 the charter should be cancelled. I know that would
2 happen and then I would go ahead and send out a
3 letter for the hearing. It could be possible
4 I would be in touch with the minister from time
5 to time as to how it was proceeding.

6 Q. If you do not remember that will
7 suffice, but the memorandum does appear to be
8 quite well documented and you supported your
9 recommendation more thoroughly than other memoranda
10 we have seen. In this application, Mr. Cudney,
11 you had not referred it to the police and in
12 your memorandum you referred to your practice in
13 the last ten years with regard to charters - that
14 is, with regard to social clubs?

15 A. Yes.

16 Q. And to read this memorandum along
17 with the application of the applicants it would
18 seem to me your department has continued throughout
19 to treat that as a social club.

20 A. It came out at the hearing I held
21 that it was in fact a social club; they had club
22 rooms and club premises, and the whole -- There
23 may have been other activities but as I remember
24 the hearing it was a social club that was conducted,
25 notwithstanding the objects. That is why I
26 refer to it as a social club because, from what
27 came out in the evidence, it was a social club.

28 Q. The next item appearing on the file,
29 as I noted it, was the 3rd of March, 1959, a
30



and then I would be allowed to read out a



1 letter from you to Alan Grossman, M. P. P.?

2 A. Yes.

3 Q. What is the effect of that letter?

4 A. The letter to Alan Grossman, M. P. P.,
5 from myself, dated March 3:

6 "I enclose herewith copy of
7 "memorandum I gave to Dr. Phillips relative
8 "to the above Association."

9 You see, we had -- Mr. Grossman had, as I recall,
10 been in touch with Dr. Phillips in the matter.

11 THE COMMISSIONER: Q. Yes?

12 A. And Dr. Phillips had spoken to me
13 about it.

14 MR. ESTEY: Q. There is a further memorandum
15 which may aid your memory. Go through to March
16 24, 1959.

17 A. Yes. A letter of March 29, 1959,
18 from myself to Grossman:

19 "Some time ago you spoke to me
20 "about the above Club and, from our conver-
21 "sation, I thought that you would have no
22 "objection to the cancellation of the Charter
23 "in view of the conviction of a member of
24 "the Club for illegally keeping beer for
25 "sale on the Club premises.

26 that
27 "Perhaps you thought we were going
28 "ahead with the cancellation of the
29 "Charter at that time, but before doing so
30 "I would appreciate your advice as to
"whether or not you are in favour of the



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1 "cancellation."

2 THE COMMISSIONER: Q. Who are you writing
3 that to?

4 A. To Mr. Grossman, the member.

5 Q. What difference did it make to you
6 whether he was or was not in favour of the
7 cancellation?

8 A. Well, it was taken up, as I say,
9 my Lord, with the minister and I was to keep
10 in touch with him. He was as I remember -- wanted
11 to look into it, whether or not the charter would
12 be cancelled, had spoken to the minister on the
13 matter, and this was a letter I was to write
14 as to whether or not he would favour the cancella-
15 tion.

16 Q. I do not know why you would be asking
17 Grossman whether he was in favour of cancellation
18 or not; he had nothing to do with it?

19 A. No.

20 MR. ESTEY: Q. That was cancelled?

21 A. Yes, then it was cancelled.

22 Q. And that closes the Portuguese-
23 Canadian Association file.

24 THE COMMISSIONER: Q. Did you get any
25 reply from Grossman?

26 MR. ESTEY: There is nothing on the file --

27 Q. Is there, Mr. Cudney?

28 A. There is nothing on file here.

29 Q. Do you remember any oral conversation?

30 A. As I recall, he approved of the



Q. Now, did you see anything at the time of the shooting?

A. Yes, I saw the man who was shot.

Q. Did you see him before the shooting?

A. Yes, I saw him in the room.

Q. What time was it when you saw him?

A. It was about 10 o'clock.

Q. Did you see him again after the shooting?

A. No, I did not see him again.

Q. Did you see anyone else in the room?

A. Yes, I saw a woman.

Q. Did you see her before the shooting?

A. Yes, I saw her in the room.

Q. What time was it when you saw her?

A. It was about 10 o'clock.

Q. Did you see her again after the shooting?

A. No, I did not see her again.

Q. Did you see anyone else in the room?

A. Yes, I saw a man.

Q. Did you see him before the shooting?

A. Yes, I saw him in the room.

Q. What time was it when you saw him?

A. It was about 10 o'clock.

Q. Did you see him again after the shooting?

A. No, I did not see him again.

Q. Did you see anyone else in the room?

A. Yes, I saw a woman.

Q. Did you see her before the shooting?

A. Yes, I saw her in the room.

Q. What time was it when you saw her?

A. It was about 10 o'clock.



1 cancellation.

2 THE COMMISSIONER: Q. Pardon?

3 A. He approved of the cancellation.

4 Q. Grossman?

5 A. Yes, as I recall it, my Lord.

6 MR. ESTEY: Q. I take it he did that
7 verbally?

8 A. Yes. Yes, there is nothing on the
9 file.

10 THE COMMISSIONER: Q. Surely, you are
11 not suggesting it was a condition whether or not
12 the charter would be cancelled that Grossman
13 should approve it?

14 A. No, but he, as I say, had spoken
15 to me and to my minister.

16 Q. Yes, you told me that.

17 A. And my minister -- We had it under
18 consideration and the cancellation order --
19 I remember talking to Dr. Phillips and it was
20 held up until, as I remember, Mr. Grossman had
21 considered it or looked into the matter. The order
22 -- what the facts of the case were and, as I remember
23 he then approved of the cancellation.

24 MR. ESTEY: Q. And he contacted you during
25 the incorporation of this club, Mr. Grossman?

26 A. No, I don't think he did, Mr.
27 Estey.

28 Q. There is nothing in your file?

29 A. No, I don't think so.

30 The first thing I remember is when ~~Sargent~~ he got



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1 in touch with the department -- with the minister
2 after the proposed cancellation came up.

3 THE COMMISSIONER: Q. When did Grossman's
4 association with the Liquor Control Board commence?

5 A. That was much later. That was
6 within the last year or so.

7 Q. All right.

8 MR. ESTEY: Q. That takes me, Mr. Cudney,
9 to the Columbia Bridge Club file.

10 MR. WILSON: Brief, page 50; Appendix J.

11 THE COMMISSIONER: Page what?

12 MR. WILSON: 50 in the brief; J 7 and 12
13 and 20; K 2.

14 MR. ESTEY: Q. This is an old corporation,
15 July, 1936 or thereabouts?

16 A. 1936, yes.

17 Q. This one seems to set the record.

18 This, my Lord, I should have said, was --
19 this was first discussed at page 44 of Exhibit
20 253.

21 MR. WILSON: Yes.

22 MR. ESTEY: Q. I will deal just briefly
23 with the C file. I think this sets the record,
24 so far, for years. You received in 1955 18
25 years of returns from 1937 to 1955. I think
26 that is correct?

27 A. Yes. The 1937 return was received
28 in 1955.

29 THE COMMISSIONER: Q. Is Mr. Estey right,
30 in 1955 you received the returns from 1937 to





1 1955 inclusive?

2 A. Yes. Looking through them quickly,
3 my Lord, I would say they were all received in
4 1955.

5 MR. ESTEY: Q. The deponent -- Every one
6 of those has an affidavit. 1956 is the first
7 year you had a certificate. H. Baumille, on the
8 7th of October, 1955; and if my search is correct
9 he was not an officer of the club at that time?

10 A. Yes, he was, in 1955, an officer and
11 president of the club. It appears in the return
12 as such.

13 Q. I have a note he was elected in --
14 In any event I am wrong. You say he was an
15 officer?

16 THE COMMISSIONER: You will have to
17 prompt me, Mr. Estey: That name Baumille is
18 connected with what?

19 MR. ESTEY: Well, there are two Baumilles
20 whose names re-occur in these clubs. This is
21 Harry Baumille. I think there is Sam Baumille,
22 and Sam Baumille is one of the participants in
23 some category in the Atlas Club, which your
24 Lordship heard about on Point II.

25 THE COMMISSIONER: I cannot keep track of
26 all these names by memory. The name is familiar.

27 MR. WILSON: Louis was Six for Five.

28 THE COMMISSIONER: Louis Baumille, that is
29 the one.

30 MR. WILSON: That is just hearsay.



1940



1 MR. ESTEY: I did not want to slight him
2 I just had not heard of him before.

3 THE COMMISSIONER: We need an index of all
4 these names, Mr. Estey.

5 MR. ESTEY: An I. B. M. machine, because
6 they move around.

7 Q. Without getting bogged down in
8 details as to what Mr. Baumille swore to, I find
9 when you roam through these reports the amber
10 light always turns on when there is a great
11 avalanche of returns come in, and the amber light
12 is switched on in 1955 because from then on this
13 file gets more interesting. I notice, if we
14 return to familiar names, Mr. Louis Herman's
15 name comes in at the same time. Then, let us get
16 into the O file.

17 THE COMMISSIONER: I did not realize it
18 was after five o'clock.

19 MR. ESTEY: This O file is a little longer.

20 THE COMMISSIONER: Are you satisfied with
21 the progress you have made today? How many more
22 have you got?

23 MR. ESTEY: I have been throwing a few
24 out so I may not have as many as your Lordship
25 thinks. If we can get Mr. Cudney to agree
26 on the highlights of some of these files, why,
27 we could easily finish with Mr. Cudney tomorrow
28 morning.

29 ---Whereupon the hearing adjourned at 5.05 o'clock
30 p.m. on Monday, 15th October, 1962, until 10.00
o'clock a.m. on Tuesday, 16th October, 1962.



U.S. DEPARTMENT OF AGRICULTURE

1941, 1942, 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950, 1951, 1952, 1953, 1954, 1955, 1956, 1957, 1958, 1959, 1960, 1961, 1962, 1963, 1964, 1965, 1966, 1967, 1968, 1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 26

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